

THE NATIONAL ARCHIVES
LITTERA
SCRIPTA
MANET
FEDERAL REGISTER
OF THE UNITED STATES
1934
VOLUME 14 NUMBER 198

Washington, Thursday, October 13, 1949

**TITLE 5—ADMINISTRATIVE
PERSONNEL**

**Chapter III—Foreign and Territorial
Compensation**

Subchapter B—The Secretary of State

[Dept. Reg. 108.94]

**PART 325—ADDITIONAL COMPENSATION IN
FOREIGN AREAS**

DESIGNATION OF DIFFERENTIAL POSTS

Section 325.11 *Designation of differential posts* is amended as follows, effective on the dates indicated:

1. Effective as of the beginning of the first pay period following October 1, 1949, paragraph (b) is amended by the addition of the following posts:

Iskenderun, Turkey.
Elazig, Turkey.

2. Effective as of the beginning of the pay period following October 1, 1949, paragraph (d) is amended by the addition of the following post:

Ernest Harmon A. F. B., Newfoundland.
(Sec. 102, Part I, E. O. 10000, Sept. 16, 1948, 13 F. R. 5453; 3 CFR, 1948 Supp.)

For the Secretary of State.

[SEAL] JOHN E. FEURIFOY,
Deputy Under Secretary.

OCTOBER 1, 1949.

[F. R. Doc. 49-8196; Filed, Oct. 12, 1949;
8:47 a. m.]

TITLE 7—AGRICULTURE

**Chapter I—Production and Marketing
Administration (Standards, Inspections,
Marketing Practices), Department of
Agriculture**

PART 29—TOBACCO INSPECTION

**DESIGNATION OF TOBACCO AUCTION MARKETS
AT SOMERSET, KY., AND SPARTA, TENN.**

Upon referenda conducted, pursuant to prior notice (14 FR 5052), during the period September 22, 1949–September 24, 1949, both dates inclusive, among tobacco growers, who, during the 1948–49 marketing season, sold tobacco at auction on the market at Somerset, Kentucky, and on the market at Sparta, Tennessee, respectively, it is found that more than

two-thirds of the growers voting in each such referendum favor the designation of each such market under section 5 of The Tobacco Inspection Act (7 U. S. C. 511 et seq.) for the free and mandatory inspection and certification of tobacco sold on each such market. Therefore, pursuant to the authority vested in the Secretary of Agriculture, and for the purposes of said act, the orders of designation of tobacco markets (7 CFR 29.601; 14 FR 4514; and 14 F. R. 5364) are amended by adding thereto at the end thereof the following paragraph (ii):

§ 29.601 *Designation of tobacco markets*—* * * (ii) *The tobacco markets at Somerset, Kentucky, and Sparta, Tennessee.* Effective 30 days after October 13, 1949, no tobacco of any type shall be offered for sale at auction on the market at Somerset, Kentucky, and on the market at Sparta, Tennessee, until such tobacco shall have been inspected and certified by an authorized representative of the U. S. Department of Agriculture according to standards established under The Tobacco Inspection Act (7 U. S. C. 511 et seq.): *Provided, however,* That such requirement of inspection and certification may be suspended at any time when it is found impracticable to provide inspection or when the quantity of tobacco available for inspection is not sufficient to justify the cost of such service.

(49 Stat. 731; 7 U. S. C. 511 et seq.)

Issued this 7th day of October 1949.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 49-8195; Filed, Oct. 12, 1949;
8:47 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

Subchapter B—Economic Regulations

[Regs., Serial No. ER-151]

**PART 291—CLASSIFICATION AND EXEMPTION
OF IRREGULAR AIR CARRIERS**

**CHANGE IN WEIGHT LIMITATIONS OF SMALL
IRREGULAR CARRIERS**

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 5th day of October 1949.

(Continued on next page)

CONTENTS

	Page
Agriculture Department	
See Commodity Credit Corporation; Production and Marketing Administration.	
Alien Property, Office of	
Notices:	
Vesting orders, etc.:	
Duchting, Ludwig.....	6243
Mangelsdorf, Kurt.....	6244
Oshiri, Kuichi.....	6244
Saller, George.....	6243
Satake, Iwajiro.....	6243
Civil Aeronautics Board	
Notices:	
Accident at Los Angeles, Calif.; hearing.....	6234
Rules and regulations:	
Economic regulations; change in weight limitations of small irregular air carriers.....	6193
Commerce Department	
See International Trade, Office of.	
Commodity Credit Corporation	
Rules and regulations:	
Turkey price support program, 1949; correction.....	6195
Defense Department	
See Navy Department.	
Federal Communications Commission	
Notices:	
Delegations of authority with respect to processing and disposition of applications.....	6234
Hearings, etc.:	
Bellefonte News-Democrat and On the Air, Inc. (WTMV).....	6237
Commercial Pacific Cable Co. et al.....	6234
Concord Broadcasting Corp. and Erie Broadcasting Corp.....	6237
Dubb, Benjamin L., et al.....	6237
Easley Broadcast Co.....	6236
Lake Huron Broadcasting Co. (WKNX) and Booth Radio Stations, Inc.....	6236
Lamar County Broadcasting Co.....	6237
Radio Commission of Southern Baptist Convention and Executive Board of Baptist General Convention of Texas.....	6235
United Nations Broadcasting Corp.....	6236

FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Division of the Federal Register, the National Archives, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

1949 Edition

CODE OF FEDERAL REGULATIONS

The following books are now available:

Title 21 (\$2.50)

Titles 22-23 (\$2.25)

Previously announced: Title 3, 1948 Supp. (\$2.75); Titles 4-5 (\$2.25); Title 6 (\$3.00); Title 7: Parts 1-201 (\$4.25); Parts 210-874 (\$2.75); Parts 900 to end (\$3.50); Title 8 (\$2.75); Title 9 (\$2.50); Titles 10-13 (\$2.25); Title 14: Parts 1-399 (\$3.50); Parts 400 to end (\$2.25); Title 15 (\$2.50); Title 16 (\$3.50); Title 17 (\$2.75); Title 18 (\$2.75); Title 19 (\$3.25); Title 20 (\$2.75)

Order from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

CONTENTS—Continued

Federal Communications Commission—Continued	Page
Proposed rule making:	
Telephone carriers, wire telegraph, ocean-cable and radio-telegraph carriers; preservation of records	6198
Rules and regulations:	
Practice and procedure; delegations of authority with respect to processing and disposition of applications	6198
Federal Power Commission	
Notices:	
Hearings, etc.:	
City of Allegan, Mich.	6240

RULES AND REGULATIONS

CONTENTS—Continued

Federal Power Commission—Continued	Page
Notices—Continued	
Hearings, etc.—Continued	
Colorado Interstate Gas Co.	6239
East Tennessee Natural Gas Co.	6239
Harbison, H. W.	6240
New York State Natural Gas Corp.	6239
Ohio Fuel Gas Co.	6240
Southern California Edison Co.	6240
Tennessee Gas Transmission Co.	6240
Tuttle, Charles F., et al.	6240

Foreign and Domestic Commerce Bureau

See International Trade, Office of.

Housing Expediter, Office of

Notices:	
Organization description; designation of Acting Housing Expediter	6241
Rules and regulations:	
Rent, controlled; housing and rooms in rooming houses and other establishments in Pennsylvania	6195

Internal Revenue Bureau

Proposed rule making:	
Taxation pursuant to treaties; income tax conventions:	
U. S. and Kingdom of Denmark	6228
U. S. and Kingdom of the Netherlands	6220
Rules and regulations:	
Powers of appointment, release:	
Estate tax	6195
Gift tax	6196

International Trade, Office of

Rules and regulations:	
Export regulations; issuance and use of export licenses	6195

Justice Department

See Alien Property, Office of.

Navy Department

Notices:	
Destroyer escorts and hunter killer destroyers; navigation lights	6234

Post Office Department

Rules and regulations:	
Money-order service, domestic-international; miscellaneous amendments; correction	6198

Production and Marketing Administration

Rules and regulations:	
Tobacco inspection; designation of tobacco auction markets at Somerset, Ky., and Sparta, Tenn.	6193

Securities and Exchange Commission

Notices:	
Hearings, etc.:	
Allegheny County Steam Heating Co.	6241
Duquesne Light Co.	6242
Engineers Public Service Co.	6241
United Gas Improvement Co. et al.	6242
Waddy, D. S., & Co.	6241

CONTENTS—Continued

State Department	Page
Rules and regulations:	
Compensation in foreign areas, additional; designation of differential posts	6193
Treasury Department	
See Internal Revenue Bureau.	
Veterans' Administration	
Rules and regulations:	
Vocational rehabilitation and education; registration and research	6196

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 5	Page
Chapter III:	
Part 325	6193
Title 6	
Chapter IV:	
Part 649	6195
Title 7	
Chapter I:	
Part 29	6193
Title 14	
Chapter I:	
Part 291	6193
Title 15	
Chapter III:	
Part 372	6195
Title 24	
Chapter VIII:	
Part 825	6195
Title 26	
Chapter I:	
Part 7 (proposed) (2 documents)	6220, 6228
Part 81	6195
Part 86	6196
Title 38	
Chapter I:	
Part 21	6196
Title 39	
Chapter I:	
Part 75	6198
Title 47	
Chapter I:	
Part 1	6198
Part 42 (proposed)	6198
Part 45 (proposed)	6198
Part 46 (proposed)	6198

Part 291 of the Economic Regulations classifies small irregular carriers as any irregular air carrier which does not use in its transportation services aircraft having a gross take-off weight in excess of 10,000 pounds for any one unit or of 25,000 pounds for the total of such units (disregarding units of 6,000 pounds or less.) It is the purpose of this regulation to revise these limitations by conforming them to the "small aircraft" limitations of Part 42 of the Civil Air Regulations which states in § 42.1 that aircraft of less than 12,500 pounds maximum certificated take-off weight shall be considered as small aircraft.

This amendment was proposed in the Board's Draft Release No. 40 dated August 11, 1949.

Interested persons have been afforded an opportunity to participate in the making of the amendment of Part 291 by revising § 291.2 (b), but no comments have been received by the Board.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 291 of the Economic Regulations (14 CFR, Part 291) as follows, effective November 12, 1949:

By amending § 291.2 (b) in its entirety to read as follows:

§ 291.2 Classification. * * *

(b) Any irregular air carrier, as classified above, which does not use in its transportation services aircraft units having a maximum certificated take-off weight (as defined in Civil Air Regulations, Part 42, § 42.1) in excess of 12,500 pounds for any one unit or of 25,000 pounds for the total of such units (disregarding units of 6,000 pounds or less), shall be classified as a small irregular carrier.

(Secs. 205 (a), 416; 52 Stat. 984, 1004; 49 U. S. C. 425, 496)

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 49-8223; Filed, Oct. 12, 1949; 8:52 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Loans, Purchases, and Other Operations

[1949 Turkey Bulletin 1]

PART 649—POULTRY

SUBPART—1949 TURKEY PRICE SUPPORT PROGRAM

Correction

In Federal Register Document 49-8119, appearing at page 6125 of the issue for Saturday, October 8, 1949, the following corrections are made:

1. In the table under § 649.112 (c) the price for August 1949 for weight class "Under 16 lb." should be "45.75".

2. In § 649.113 the designations (2), (3), and (4) should read (b), (c), and (d).

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter C—Office of International Trade

[4th Gen. Rev. of Export Regs., Amdt. 47]

PART 372—PROVISIONS FOR INDIVIDUAL AND OTHER VALIDATED LICENSES

ISSUANCE AND USE OF EXPORT LICENSES

Section 372.8 *Issuance and use of export licenses* is amended in the following particulars:

Paragraph (c) *Validity of licenses* is amended to read as follows:

(c) *Validity of licenses.* Outstanding licenses may be revised, suspended, or revoked, or the validity periods thereof may be extended or reduced, by appropriate orders or regulations. Licenses will generally be issued for a validity period of 6 months, except that licenses for the following commodities will generally be issued for the validity period specified in the following table:

Commodity	Validity period
Rice for shipment to Western Hemisphere countries ¹	60 days.
Coal, bituminous (schedule B No. 500200)	90 days.
Coke (including coal-tar coke) (schedule B No. 500400)	90 days.
RO commodities having the processing code CERL	90 days.
RO commodities having the processing code SEED	90 days.
All commodities having the processing code PETR	90 days.
Motion-picture and photographic sensitized unexposed film	90 days.
Water, oil, gas, and other unlined storage tanks, complete and knock-down material, for temporary or permanent installation, n. e. s. (schedule B No. 604300)	1 year.
Other structural shapes, fabricated, including bridges, buildings, portable houses, towers, and welded steel structures (knock-down included) (schedule B No. 604600)	1 year.
Power-generating and other heavy machinery involving long-term production periods	1 year.

¹ Western Hemisphere countries include all countries in North and South America as listed in Schedule C of the Bureau of the Census.

This amendment shall become effective September 30, 1949.

(63 Stat. 7; E. O. 9630, Sept. 27, 1945, 10 F. R. 12245; E. O. 9919, Jan. 3, 1948, 13 F. R. 59)

LORING K. MACY,
Assistant Director,
Office of International Trade.

[F. R. Doc. 49-8216; Filed, Oct. 12, 1949; 8:50 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter VIII—Office of Housing Expediter

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

PENNSYLVANIA

Correction to the Controlled Housing Rent Regulation and the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments.

Item 12 of Amendment 173 to the Controlled Housing Rent Regulation (§§ 825.1 to 825.12)¹ and of Amendment 171 to the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments (§§ 825.81 to 825.92),¹ issued and effective September 27, 1949, is corrected to read as follows:

¹ 14 F. R. 5973.

12. Schedule A, Item 272, is amended to describe the counties in the Defense-Rental Area as follows:

Lycoming.

Cameron, Columbia, Montour, Northumberland, Snyder and Union.

In Elk County, the Boroughs of Saint Marys, Ridgway and Johnsonburg, and the Townships of Benzinger, Highland and Ridgway; and in the County of Luzerne, Nescopeck Borough, and the Townships of Nescopeck and Salem.

Clinton.

This decontrols the entire Elk County, except the Boroughs of Saint Marys, Ridgway and Johnsonburg, and the Townships of Benzinger, Ridgway and Highland, Pennsylvania, portions of the Williamsport, Pennsylvania, Defense-Rental Area.

(Sec. 204 (d), 61 Stat. 197, as amended by 62 Stat. 37, 94, Pub. Law 31, 81st Cong.; 50 U. S. C. App. 1894 (d))

This correction shall be effective as of September 27, 1949.

Issued this 10th day of October 1949.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 49-8197; Filed, Oct. 12, 1949; 8:47 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue, Department of the Treasury

Subchapter B—Estate and Gift Taxes

[T. D. 5749]

PART 81—ESTATE TAX UNDER CHAPTER 3 OF THE INTERNAL REVENUE CODE, AS AMENDED

RELEASE OF POWERS OF APPOINTMENT

In order to conform Regulations 105 (26 CFR, Part 81) to section 1 of Public Law 137 (81st Congress, 1st Session), approved June 28, 1949, such regulations are amended as follows:

PARAGRAPH 1. There is inserted immediately following Public Law 635 (80th Congress, 2d Session) which was inserted in such regulations by Treasury Decision 5658, approved October 1, 1948, and before section 302 (f) of the Revenue Act of 1926 (as originally enacted) as set forth preceding § 81.24, the following:

PUBLIC LAW 137 (81st Congress, 1st Session), approved June 28, 1949.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 403 (d) (3) * * * of the Revenue Act of 1942 (relating to release of certain powers of appointment in the case of the estate * * * taxes) are hereby amended by striking out "1949" wherever appearing therein and inserting in lieu thereof "1950".

PAR. 2. Section 81.24 (b), added by Treasury Decision 5239, approved March 10, 1943, as amended by Treasury Decision 5699, approved May 13, 1949, is further amended as follows:

(A) By striking out "1949" wherever it appears, except in the second paragraph of (b) (3) beginning with the words "Section 2 of Public Law 635, approved June 12, 1948," and inserting in lieu thereof "1950".

(B) By striking from the first sentence of subparagraph (3) "(as amended by Public Law 635 (80th Congress), approved June 12, 1948)" and inserting in lieu thereof the following: "(as amended by Public Law 137 (81st Congress), approved June 28, 1949)".

Because of the technical nature of the amendments made herein, it is found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

This Treasury decision shall be effective upon its filing for publication in the FEDERAL REGISTER.

(Sec. 3791, I. R. C.; 53 Stat. 467; 26 U. S. C. 3791; sec. 1, Pub. Law 137, 81st Cong., 1st Sess., approved June 28, 1949)

[SEAL] GEO. J. SCHOENEMAN,
Commissioner of Internal Revenue.

Approved: October 7, 1949.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

[F. R. Doc. 49-8212; Filed, Oct. 12, 1949;
8:49 a. m.]

[T. D. 5750]

PART 86—GIFT TAX UNDER CHAPTER 4 OF THE INTERNAL REVENUE CODE, AS AMENDED

RELEASE OF POWERS OF APPOINTMENT

In order to conform Regulations 108 (26 CFR, Part 86) to section 1 of Public Law 137 (81st Congress, 1st Session), approved June 28, 1949, such regulations are amended as follows:

PARAGRAPH 1. There is inserted after section 374 of the Revenue Act of 1948, which was inserted by Treasury Decision 5698, approved May 13, 1949, and immediately preceding § 86.1, the following:

PUBLIC LAW 137 (81st Congress, 1st Session), approved June 28, 1949.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That sections * * * 452 (c) of the Revenue Act of 1942 (relating to release of certain powers of appointment in the case of the * * * gift taxes) are hereby amended by striking out "1949" wherever appearing therein and inserting in lieu thereof "1950".

PAR. 2. Section 86.1, as amended by Treasury Decision 5659, approved October 1, 1948, is further amended by striking from the second sentence "1949" and inserting in lieu thereof "1950".

PAR. 3. Section 86.2 (b), as amended by Treasury Decision 5659, is further amended as follows:

(A) By striking out "1949" wherever it appears, except in the third sentence of the first paragraph beginning with the words "Section 2 of Public Law 635, approved June 12, 1948," and inserting in lieu thereof "1950".

(B) By striking out "as amended by Public Law 635 (80th Congress), approved June 12, 1948" wherever it appears and inserting in lieu thereof the following: "as amended by Public Law

137, (81st Congress), approved June 28, 1949".

Because of the technical nature of the amendments made herein, it is found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

This Treasury decision shall be effective upon filing with the Division of the FEDERAL REGISTER.

(Sec. 1029, 3791 I. R. C.; 53 Stat. 157, 467; 26 U. S. C. 1029, 3791; sec. 1, Pub. Law 137, 81st Cong., 1st Sess.), approved June 28, 1949)

[SEAL] GEO. J. SCHOENEMAN,
Commissioner of Internal Revenue.

Approved: October 7, 1949.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

[F. R. Doc. 49-8213; Filed, Oct. 12, 1949;
8:49 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 21—VOCATIONAL REHABILITATION AND EDUCATION

SUBPART A—REGISTRATION AND RESEARCH

1. Section 21.185 is amended to read as follows:

§ 21.185 *Application of the provisions of the Independent Offices Appropriations Acts prohibiting expenditure of Government funds for courses avocational or recreational in character—(a) Purpose.* The purpose of the provisions contained in the Independent Offices Appropriations Acts is to prohibit the Veterans' Administration from expending any Government funds for courses which are determined by the Administrator to be avocational or recreational in character.

(b) *Veterans' responsibility.* The legislative history reveals that the underlying spirit and intent of the educational and training provisions of the Servicemen's Readjustment Act is to provide an opportunity to each veteran whose education or training was interrupted by reason of his entrance into the service to resume his education or training as a trainee and thereby aid him to attain knowledge or skill which presumably he could have attained but for his service in the armed forces. It is the intent of the law that the veteran have the right to elect his course of education or training at any approved educational or training institution at which he chooses to enroll which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue. The prohibition of the appropriation acts for 1949 and 1950 is in accord with and reemphasizes the underlying spirit and intent of the educational and training provisions of the Servicemen's Readjustment Act. Therefore, veterans should not seek to pursue

courses for avocational or recreational purposes but only courses which will contribute to the veteran's vocational or occupational advancement or educational objective.

(c) *Policy—(1) Courses of education.* A course of education elected by a veteran in an approved public or private elementary or secondary school, on an institution of higher learning, for which academic credit is awarded toward the veteran's educational objective, shall not be considered avocational or recreational in character: *Provided*, That any course listed in subparagraphs (7) and (8) of this paragraph which is provided by an approved public or private elementary or secondary school, or an institution of higher learning, shall be subject to the regulations set forth in subparagraphs (7) and (8) of this paragraph.

(2) *Courses of vocational training.* A course of vocational training elected by a veteran in an approved vocational, trade, business, or technological school shall not be considered avocational or recreational in character except those courses so determined pursuant to the provisions of subparagraphs (7) and (8) of this paragraph.

(3) *Courses of institutional-on-farm training.* A course of institutional-on-farm training which has been elected by a veteran and approved in accordance with the provisions of Public Law 377, 80th Congress, shall not be considered avocational or recreational in character.

(4) *Courses of apprenticeship training.* A course of apprenticeship training elected by a veteran in an approved training establishment shall not be considered avocational or recreational in character.

(5) *Courses of other training on the job.* A course of other training on the job elected by a veteran in a training establishment approved in accordance with the provisions of Public Law 679, 79th Congress, shall not be considered avocational or recreational in character, except those courses so determined pursuant to the provisions of subparagraphs (7) and (8) of this paragraph.

(6) *Courses of advanced flight training.* A flight instructor course, an instrument rating course, a multiengine class-rating course, or an airline transport pilot course elected by a veteran in an approved school shall not be considered avocational or recreational in character for a veteran who satisfies the regional office that he possesses a valid commercial pilot's license and the medical certificate which he is required to possess in order to obtain the license or certificate for which the course is pursued.

(7) *Elementary flight, private pilot, and commercial pilot flight courses.* Effective August 24, 1949, an elementary flight or private pilot course or a commercial pilot course elected by a veteran in an approved school shall not be considered avocational or recreational in character if the veteran submits to the regional office a certificate showing that he is physically qualified in accordance with the standards of the Civil Aeronautics Administration to obtain the type of license which will enable him to attain his employment objective to-

gether with (i) complete justification that such course is in connection with his present or contemplated business or occupation or (ii) a certificate in the form of an affidavit by the veteran supported by corroborating affidavits by two competent disinterested persons that such flight training will be useful to him in connection with earning a livelihood, which affidavits, in the absence of substantial evidence to the contrary, will be accepted as constituting compliance with proviso. In all adjudications under this provision the expression "substantial evidence to the contrary" means evidence of a nature ordinarily acceptable as competent to establish facts or circumstances contrary to the matters sought to be established by the claimant and may consist of matters of record in the Veterans' Administration or otherwise properly within the knowledge of those charged with the adjudication. The expression "competent disinterested persons" means persons who are qualified by reason of their personal knowledge of facts and circumstances to testify concerning the use of flight training by the veteran in connection with his earning a livelihood, and who, except as to present or prospective employers, have no interest whatsoever, either personal or by association, in the pursuit or non-pursuit by the veteran of the desired course of flight training. For the purpose of this definition supporting affidavits by members of a veteran's family or by employees or owners of flight schools will not constitute evidence of disinterested persons. In any event corroborating affidavits must establish clearly and definitely the identity of the affiant, the character of his relationship or association with the claimant, and the basis and source of his asserted knowledge of the matters to which he testifies. Such justification and evidence must be submitted to and approved by the regional office prior to his entrance into training. No payments for subsistence allowance or tuition may be authorized for any period prior to the date of such approval. An elementary flight, private pilot, or commercial pilot course, or part thereof, which is provided by an institution of higher learning as a voluntary elective course for which academic credit is given as partial fulfillment of the institution's standard credit-hour requirement for the veteran's degree objective, shall be subject to the provisions contained in this subparagraph and as heretofore held by the Veterans' Administration shall be considered as separate courses. Flight courses which are required by the institution as a part of the institution's standard credit-hour requirement for the veteran's degree objective shall not be considered avocational or recreational in character when the institution certifies to the Veterans' Administration that the veteran is required to pursue such course for credit in order to complete his degree requirement.

(8) *Other courses.* (i) Other courses include:

(a) Dancing courses; photography courses; glider courses; bar-tending courses—courses of mixology; personality-development courses; entertainment courses; all single-subject courses which

are not a part of a general education or training program leading to an educational or employment objective; and all other courses which are well-known to managers of regional offices as being frequently pursued in their areas for avocational or recreational purposes.

(b) Music courses—instrumental and vocal; public-speaking courses; and courses in sports and athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, and bowling.

NOTE: These courses shall not be construed to refer to those applied to music, physical education, or public speaking courses which have always been considered and offered by institutions of higher learning for credit as an integral part of a course leading to an educational objective.

(ii) If a veteran desires to pursue any of the courses listed in subdivision (i) (a) or (b) of this subparagraph, under the provisions of Public Law 346, 78th Congress, as amended, complete justification that such course is in connection with his present or contemplated business or occupation must be submitted to and approved by the regional office prior to entrance into training.

(d) *Application of law and policy.* (1) This section does not affect any course which was commenced by a veteran prior to July 1, 1948.

(2) The Veterans' Administration is not authorized to expend any part of its appropriation for tuition, fees, or other charges, or for subsistence allowance for any such course commenced or recommended by a veteran on or subsequent to July 1, 1948, unless the veteran shows to the satisfaction of the Veterans' Administration that such a course is in connection with his present or contemplated business or occupation and prior to entrance into training the veteran and the school or training establishment are notified by the Veterans' Administration that it has been so determined.

(3) Determination as to whether the justification is adequate will be made by the chief, registration and research section, or his designate: *Provided*, That before final determination is made in any doubtful case or the course is finally disapproved, the veteran will be informed by the registration and research section that this justification does not appear adequate and that he may request advisement and guidance between final determination is made. In any case where advisement and guidance is provided, the advisement and guidance procedures relating to part VIII, Veterans Regulation 1 (a), as amended (38 U. S. C. ch. 12) will be applied and the opinion of the vocational adviser as to whether the course is in connection with the present or contemplated business or occupation of the veteran will be acceptable evidence for the resolution of the question. (Instruction 1, Pub. Law 862, 80th Cong.) (Pub. Law 862, 80th Cong.; Pub. Law 266, 81st Cong.)

2. A new § 21.186 is added to read as follows:

§ 21.186 *Application of the provisions of existing law prohibiting expenditure of Government funds for courses of education or training until certain requirements are met.* (a) (1) Existing law prohibits a veteran from pursuing under

the Servicemen's Readjustment Act of 1944, as amended, a course which is avocational or recreational in character. Likewise, existing law prohibits a veteran from pursuing a course in a school which has been in operation for a period of less than one year immediately prior to the date of enrollment in such course unless such enrollment was prior to August 24, 1949. (§ 21.690 (c) (1).)

(2) To fulfill these requirements and meet these responsibilities, the Veterans' Administration must know the course a veteran proposes to follow and the institution in which it is to be pursued.

(3) Pursuant to such authority, effective November 1, 1949, any veteran who desires education or training benefits under the Servicemen's Readjustment Act, as amended, will be required to show in his application the course of education or training he elects to pursue and the institution where he wishes to pursue such course.

(b) (1) Existing law provides that for reasons satisfactory to the Administrator a veteran may change a course of instructions; hence, a change must be justified. Also, the law provides that any such course of education or training may be discontinued at any time if it is found by the Administrator that according to the regularly prescribed standards and practices of the institution the conduct or progress of such person is unsatisfactory.

(2) To apply these provisions and meet these responsibilities, the Veterans' Administration must know the course a veteran proposes to change to and the reasons for the change. Also, the Veterans' Administration must know when the veteran desires to change from one approved institution to another in order to determine whether such institution has been in operation for a period of more than one year.

(3) Pursuant to such authority, effective November 1, 1949, any veteran who desires additional education or training benefits or any veteran who desires a change of course or change of institution will be required to show in his application the name of the course and the institution in which he wishes to pursue such course.

NOTE: The following subparagraph (4) supplements §§ 21.305-21.307.

(4) There are three situations in which veterans who have previously entered education or training may wish new or extended benefits. The three situations are:

(i) A veteran who is enrolled in or pursuing a course and wants to change to another course either in the same institution or in another approved institution;

(ii) A veteran who has discontinued a course and desires to resume education or training;

(iii) A veteran who has completed a course and wishes an additional course of education or training.

In all three situations the veteran, otherwise eligible and whose conduct and progress were satisfactory, will be permitted to effect a change of course or secure additional education or training which is commonly recognized as being

in the same general field as his original educational or job objective or a normally related progressive objective. Such courses of education or training fit naturally into general fields of related subjects. It is the purpose of this paragraph to permit an eligible veteran to pursue a course that is in the same general field throughout either its length or its breadth.

(5) The length of a course is its progressive continuation along a straight line. An illustration of this is a veteran who wishes to pursue a science course. He may progressively follow his course to his B. S. Degree, then to his M. S. Degree, and then on to his D. Sc., insofar as his entitlement will permit.

(6) The breadth of a course is the specific course undertaken and such other related subjects or manipulative skills as are in the same general field. An illustration of this is a veteran approved to pursue a course in automobile mechanics who would be permitted related courses of body and fender work or similar subjects or skills required in the same general field of occupation. It is intended that these illustrative and similar situations be covered by this paragraph.

(7) Unless the requirements of this paragraph are met, there is no legal authority for a veteran to pursue under the Servicemen's Readjustment Act a new course or a changed course except as approved under paragraph (c) of this section.

(8) Under the provisions of this paragraph, no benefits will be authorized for any period prior to the date of the filing of the application with the Veterans' Administration or the date the veteran enters training, whichever is the later. While prior approval is not required, no payment will be made to either a veteran or an institution in cases where the application is disapproved. These benefits may not be extended in any instance where their extension would be in conflict with the avocational or recreational provisions of the law and instructions thereunder.

(c) (1) Existing law provides that the Administrator may arrange for educational and vocational guidance to persons eligible for education and training.

(2) Pursuant to this authority, if a veteran has undertaken or completed a

course of education or training and desires to change to another course, the Veterans' Administration will determine whether the course is in a different general field. When it is determined to be in a different field, the veteran will be required to undergo advisement and guidance in accordance with the advisement and guidance procedures to determine his aptitude for and need of such course to complete his educational or job objective.

(d) The registration and research sections will be responsible for carrying out the provisions of this section. (Instruction 1-B, Pub. Law 862, 80th Cong.) (Title II, Pub. Law 346, 78th Cong., Pub. Law 862, 80th Cong. and Pub. Law 266, 81st Cong.)

[SEAL]

O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 49-8194; Filed, Oct. 12, 1949;
8:47 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 75—DOMESTIC-INTERNATIONAL MONEY-ORDER SERVICE

MISCELLANEOUS AMENDMENTS

Correction

In Federal Register Document No. 49-8098, appearing on page 6132 of the issue for Saturday, October 8, 1949, the word "county" in § 75.9 (a) should read "country".

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

PART 1—PRACTICE AND PROCEDURE

DELEGATIONS OF AUTHORITY WITH RESPECT TO PROCESSING AND DISPOSITION OF APPLICATIONS

At a session of the Federal Communications Commission, held at its offices in Washington, D. C., on the 3d day of October 1949.

The Commission, having under consideration the necessity for amending the Commission's statement of delegations of authority and Part 1 of the

Commission's rules relating to practice and procedure, respectively, to reflect changes in internal procedures of the Commission relating to the processing and disposition of applications filed under Part 6 of the Commission's rules; and

It appearing, that such amendments are designed to improve the internal administration of the Commission and will serve the public interest, convenience or necessity; and

It further appearing, that the proposed amendments to the rules and regulations are organizational or editorial in nature, and that publication of notice or proposed rule-making pursuant to section 4 (a) of the Administrative Procedure Act is not required; and

It further appearing, that authority for the proposed amendments is contained in sections 4 (i) and 5 (e) of the Communications Act of 1934, as amended;

It is ordered, That, effective immediately, the introductory text of § 1.312 is amended to read as follows:

§ 1.312 *Application forms for construction permits or modification thereof; radio services other than broadcast.* Applications for new facilities or modification thereof in the Public Radio-communication Services (other than Maritime Mobile), Experimental Radio Services, Coastal and Marine Relay Services, Aviation Services, Emergency Radio Services, Miscellaneous Radio Services, Radio Stations in Alaska, War Emergency Services, Railroad Radio Services and Utility Radio Services shall be made on the following forms: * * *

It is further ordered, That, effective immediately, sections 0.145 (a) and 0.145 (b) of the Commission's statement of Delegations of Authority are amended as set forth in a separate document¹ concerning this statement.

(Sec. 4 (i), 48 Stat. 1066; 47 U. S. C. 154 (i). Applies 5 (e), 48 Stat. 1068; 47 U. S. C. 155 (e))

Released: October 4, 1949.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8201; Filed, Oct. 12, 1949;
8:48 a. m.]

PROPOSED RULE MAKING

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR, Parts 42, 45, 46]

[Docket No. 9176]

PRESERVATION OF RECORDS OF TELEPHONE CARRIERS, WIRE-TELEGRAPH, OCEAN- CABLE AND RADIOTELEGRAPH CARRIERS

NOTICE OF PROPOSED RULE MAKING

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. It is proposed to rescind Part 42 (Preservation of Records) of the Commission's Rules and Regulations and to adopt new Parts 45 (Preservation of Records of Telephone Carriers) and 46 (Preservation of Records of Wire-Telegraph, Ocean-Cable and Radiotelegraph Carriers) as set forth below.

3. The proposed rules are issued under the authority of sections 4 (i) and 220 (e) of the Communications Act of 1934, as amended.

4. Any interested person who is of the opinion that the proposed rules should not be adopted, or should not be adopted in the form set forth, may file with the

Commission on or before December 31, 1949, a written statement or brief setting forth his comments. At the same time, persons favoring the rule as proposed may file statements in support thereof. The Commission will consider all comments that are received before taking final action in the matter, and if any comments are submitted which appear to warrant the holding of an oral argument before final action is taken, notice of the time and place of such oral argument will be given interested parties.

¹ See F. R. Doc. 49-8202 under Federal Communications Commission in Notices section.

5. In accordance with the provisions of § 1.764 of Part 1 of the Commission's rules relating to Organization and Practice and Procedure, an original and 14 copies of all statements, briefs or comments filed shall be furnished the Commission.

Adopted: September 28, 1949.

Released: October 6, 1949.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

PART 45—PRESERVATION OF RECORDS OF
TELEPHONE CARRIERS

APPLICABILITY

Sec.

45.01 Applicability.

GENERAL INSTRUCTIONS

- 45.1 Scope of the regulations in this part.
- 45.2 Designation of supervisory official.
- 45.3 Protection and storage of records.
- 45.4 Index of records.
- 45.5 Preservation of records on microfilm.
- 45.6 Destruction of records.
- 45.7 Premature destruction.

LIST OF RECORDS

45.8 List of records.

APPLICABILITY

§ 45.01 *Applicability.* This part is prescribed and promulgated as the regulations governing the preservation of records of communication common carriers, subject to the jurisdiction of the Commission, engaged in furnishing telephone service.

GENERAL INSTRUCTIONS

§ 45.1 *Scope of the regulations in this part.* (a) The regulations in this part apply to all accounts, records, memoranda, documents, papers, and correspondence prepared by or on behalf of the carrier as well as those which come into its possession in connection with the acquisition of property, such as by purchase, consolidation, merger, etc.

(b) The regulations in this part shall not be construed as requiring the preparation of accounts, records, or memoranda not required to be prepared by other regulations, such as the uniform systems of accounts, of the Commission.

(c) The regulations in this part shall not be construed as excusing compliance with any other lawful requirement for the preservation of records for periods longer than those prescribed in this part.

(d) Unless otherwise specified in § 45.8, duplicate copies of records may be destroyed at any time; *Provided, however,* That such duplicate copies contain no significant information not shown on the originals and that precautions have been taken to assure the continued retention of the originals (or one true copy) for the full period required under the regulations in this part. (See Item 26-a of § 45.8.)

(e) Records other than those listed in § 45.8 may be destroyed at the option of the carrier; *Provided, however,* That records which are used in lieu of those listed shall be preserved for the periods prescribed for records used for substantially similar purposes.

§ 45.2 *Designation of supervisory official.* Each carrier subject to the regulations in this part shall designate an official to supervise the preservation and the authorized destruction of its records.

§ 45.3 *Protection and storage of records.* The carrier shall protect records subject to the regulations in this part from damage from fires, floods, and other hazards and, in the selection of storage spaces, safeguard the records from unnecessary exposure to deterioration from excessive humidity, dryness, or lack of proper ventilation.

§ 45.4 *Index of records.* There shall be available in the offices of the carrier a comprehensive and current index of the records of the carrier that are required to be preserved under the provisions of the regulations in this part. Such index shall indicate, by classes and general description, the physical location of the records and the location and title of the immediate custodian. Likewise, at each office or other depository where records are kept or stored, such records as are herein required to be preserved shall be so arranged, filed, or indexed that they may be readily identified and made available to representatives of the Commission.

§ 45.5 *Preservation of records on microfilm.* (a) As indicated in § 45.8, certain records may be microfilmed and the film retained in lieu of the original records, provided the procedures prescribed in paragraphs (b) to (f) of this section are followed.

(b) Prior to photographing, the records shall be so prepared, arranged, classified, and identified as readily to permit the subsequent location, examination, and reproduction of the photographs thereof. Any significant characteristic, feature, or other attribute of the original records which photography would not reflect clearly (e. g., that the record is a copy or that certain figures thereon are red) shall be so indicated on the records at the time of such arrangement, classification, and identification. When a number of the records to be microfilmed have in common such a characteristic or attribute, an appropriate notation identifying the characteristic or attribute may be indicated in a statement at the beginning of the roll of film instead of on each individual record.

(c) Each roll of film shall include a microfilm of a certificate or certificates stating that the photographs are direct and facsimile reproductions of the original records and that they have been made in accordance with prescribed instructions. Such certificate or certificates shall be executed by a person or persons having personal knowledge of the facts covered thereby.

(d) The photographic matter on each roll shall commence and end with a statement as to the nature and arrangement of the records reproduced, the name of the photographer, and the date. Rolls of film shall not be cut. Supplemental or retaken film, whether of misplaced or omitted documents or of portions of a film found to be spoiled or illegible or of other matter, shall be at-

tached to the beginning of the roll, and in such event the aforementioned certificate or certificates shall cover also such supplemental or retaken film and shall state the reasons for taking such film.

(e) All film stock shall be of approved permanent-record microcopying type of 16 mm. or 35 mm. size, either perforated or unperforated, such as meets the minimum specifications of the National Bureau of Standards. (Such film stock may be identified by a manufacturers' mark, a solid triangle after the word "safety" in the edge marking of the film.) The photographing and processing shall be such that reproductions on photographic paper can be made, similar in size without significant loss of clarity of detail, during the period prescribed in these rules for the retention of the records concerned. The carrier shall be prepared to furnish, at its own expense, appropriate standard facilities for reading the microfilm. If the Commission so directs the carrier shall furnish photographic reproductions of records, the originals of which have been destroyed under the provisions of this instruction.

(f) The microfilms shall be indexed and retained in such manner as will render them readily accessible and identifiable. They shall be stored in such manner as to provide reasonable protection from hazards such as fire, flood, theft, etc. The films should be cared for in such a manner as to prevent cracking, breaking, splitting, etc.

§ 45.6 *Destruction of records.* The destruction of the records permitted to be destroyed under the provisions of the regulations in this part may be performed in any manner elected by the carrier concerned. Precautions should be taken, however, to macerate, or otherwise destroy the legibility of, records the content of which is forbidden by law to be divulged to unauthorized persons.

§ 45.7 *Premature destruction.* When any records are destroyed before the expiration of the prescribed period of retention, a certified statement listing, as far as may be determined, the records destroyed and describing the circumstances of accidental or other premature destruction shall be filed with the Commission within ninety (90) days from the date of discovery of such destruction. Discovery of loss of records is to be treated in the same manner as in the case of premature destruction.

LIST OF RECORDS

§ 45.8 *List of records.* The following list of records shows the periods of time that designated records shall be preserved and, by the indicator (M), the records that may be preserved on microfilm in lieu of the original records. When the indicator (M) is followed by a numeral, the original record may be destroyed only after the number of years indicated by the numeral. When the indicator (M-E) is used, a microfilm copy may be substituted for the original record for the period subsequent to the expiration, cancellation, superseding, or other condition shown in the column headed "Period to be retained."

PROPOSED RULE MAKING

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
	<i>Corporate and general</i>			<i>Corporate and general—Continued</i>	
1	Corporate organization: a. Charter or certificate of incorporation and amendments thereto. b. Legal documents in connection with mergers, consolidations, reorganizations, acquisitions, and similar actions which affect the identity or organization of the company. c. By-laws. d. Corporate elections and stockholders' votes. e. Notices of meetings, proxy statements, and proxy solicitation material. f. Voting lists. g. Proxies. h. Ballots and tabulations of votes. i. Judges' or inspectors' reports of results. j. Minutes of meetings. k. Meetings of stockholders and directors. l. Meetings of executive committee and other directors' committees. m. Securities issued or assumed:	Permanently. Do. Permanently (M-10). 10 years (M). 3 years (M). Do. Do. Do. Permanently. Permanently (M-10). Do. Do. Do. Do. Permanently, except optional after securities are redeemed, canceled, or otherwise retired (M-10). Do. Do. Do. Do. Permanently, except that separate records of a particular class of securities may be destroyed 10 years after securities of that class are redeemed or otherwise retired (M-E). Do. 3 years after subscription or sale is completed (M-E). Do. Do. Do. Do. Optional (M). 6 years after sale, transfer, or exchange is completed (M-E). Do. Optional after withdrawal of instructions (M). Optional (M). 6 years after sale, transfer, or exchange is completed (M-E). Optional (M). 3 years (M). Do. Optional after entered on records (M). 6 years (M).	Securities issued or assumed—Continued p. Bond interest payments: (1) Controlling records of interest payments. (2) Daily and other periodic summaries and lists of bond interest payments. (3) Records of unpaid interest coupons. q. Retired securities and evidences of debt: (1) Canceled stock certificates and fully registered bonds. (2) Other canceled bonds, notes, paid interest coupons, trust deeds, mortgages, or other evidences of debt, and deeds of release. (3) Records of unrepresented retired securities. r. Franchises and titles: a. Franchises, certificates, or other legal papers authorizing operations as communications common carrier. b. Deeds and other title papers. s. Contracts and agreements: a. General service contracts and license agreements, such as for accounting, financial, engineering, legal, patent, and other general services. b. General contracts for the purchase, sale, or repair of material and supplies: (1) With affiliated companies. (2) With others. t. Agreements in connection with security issues. (See items 4-e and 4-f). u. Contracts with other companies for the interchange of business, divisions of revenues, and interchange of employees' benefit obligations. (See item 8-a). v. Pension trust fund agreements. w. Leases and other agreements relating to rentals of property to or from others. x. Contracts with labor unions or other organizations of employees, relative to wage rates, hours, working conditions, and similar matters. y. Contracts or agreements relating to construction, purchase or other acquisition or sale removal of other disposal of telephone plant. z. Contracts or agreements relating to maintenance of telephone plant. (See item 46-c). aa. Other contracts and agreements except as provided for elsewhere in this List of Records. (See items 46, 70, 77-1, and 81). ab. Summaries and abstracts of contracts, leases, or agreements. ac. Book or card records of contracts, leases or agreements, showing dates of expirations, renewals, and memoranda of payments or receipts thereunder. ad. Correspondence and memoranda which clarify or explain provisions of contracts or agreements and are necessary to a proper understanding thereof. ae. Other correspondence and memoranda relating to contracts and agreements. (See item 25-b). af. For contracts with customers, see item 70. g. Ledgers: a. General and subsidiary ledgers of accounts (exclusive of ledgers provided for elsewhere in this List of Records, such as for securities, customers, and material and supplies) and indexes thereto. b. Trial balance sheets of general and subsidiary ledgers of accounts. c. Detailed statements, analyses or memoranda concerning ledger accounts, maintained for auditing, informational or other administrative uses and not necessary to support ledgers or journal entries. d. Journal entries (including journals and journal vouchers): a. General, departmental, divisional and other forms of journal entries (including journals and journal vouchers) or other records from which entries are made to the ledgers of accounts. b. Summarization and distribution records supporting journal entries: (1) Affecting plant accounts. (2) Affecting maintenance, operating or other accounts.	3 years after maturity or redemption of related securities or after record becomes inactive (M-E). 3 years (M). Until record is superseded or coupons are paid. Permanently when issued in exchange for property; otherwise, optional (M). Do. Until record is superseded or securities are presented. Permanently. 6 years after property is disposed of unless surrendered to transferee. Permanently (M-10). 25 years after expiration or cancellation (M-10). 6 years after expiration or cancellation (M-E). Permanently, except optional after securities are redeemed, canceled or otherwise retired. 6 years after superseding, expiration or cancellation (M-E). Permanently. 6 years after expiration or cancellation. 3 years after expiration or cancellation (M-E). Same periods as prescribed for the property to which they relate. 6 years after expiration or cancellation (M-E). Do. Optional (M). 6 years after expiration or cancellation (M-E). Same periods as the contracts or agreements to which they relate. Optional (M). Permanently. 10 years. Optional (M). Permanently. Do. 10 years, except as separately provided for in this List of Records. (See items 21-m, 45-b, 81-a and 83-1.)	

Item No.	Description of records	Period to be retained	Description of records	Period to be retained
	<i>Corporate and general—Continued</i>		<i>Corporate and general—Continued</i>	
14	Tax records: a. Copies of returns, schedules, statements, claims, reports and similar documents filed with taxing authorities, with supporting work papers and correspondence. b. Legal papers related to taxes. (See items 10-b and 10-d.) c. Tax bills and receipts from taxing authorities, filed separately from vouchers. d. Detailed spread sheets or other summary or distribution records of tax payments or accruals. e. Book, card, or other memorandum records of tax assessments, payments or accruals and related data, by classes of taxes, accounting periods, location of property, etc. f. Records pertaining to collection or withholding of taxes from customers, employees, and others. Cash books: General, division, and subsidiary cash books used as general records of receipts, disbursements, and balances includible in ledger cash accounts. (See item 77-k.) Records of deposits in banks and other depositories of cash and working funds: a. Bank deposit books, duplicate deposit slips, notices of deposits and of items charged back, and other advice or notices from depositories of individual credits and charges. b. Advice of individual deposits or remittances of funds from collection or other offices, when information on such advice is shown on other records. c. Check and draft registers, check stubs, copies of checks, and similar records of checks or drafts drawn on depositories. d. Statements from depositories listing receipts, disbursements, and balances on deposit. e. Bank reconciliation registers and reconciliation summaries or papers. f. Lists and other records of outstanding checks and drafts, issued and not presented. g. Correspondence with depositories relating to the opening of a bank account, general responsibilities of the depository and the company, records and correspondence covering authorized signatures. Records and correspondence relating to stop payment orders: i. If order is withdrawn j. If order is not withdrawn k. Administrative records, reports or summaries of bank deposits, charges or balances, not used as a basis for entries to accounts or for reconciling accounts with depositories. l. Bank registers showing deposits, withdrawals, and balances with depositories. Other records of receipts, disbursements and balances of cash and working funds: a. Daily, other periodic lists, summaries, or reports of receipts, transfers, or disbursements of cash. b. Transmittal forms or lists of items for payment: (1) Showing auditing approvals or other authorities for payment. (2) Used only to identify or receipt for items transmitted. c. Memoranda, statements, estimates, and reports of cash receipts, disbursements, or balances, used only for administrative purposes and not as a basis for entries to the accounts, cash books, or records subsidiary thereto. d. Records of working funds: (1) Ledgers, cards or other general records of advances to holders of working funds, showing charges, credits, and balances. (2) Requisitions, requests, or receipts for working fund advances. (3) Reports of expenditures from working funds or statements of working fund transactions from holders of working funds. (a) When used as the basis for vouchers or entries to accounts. (b) When not so used.	Such period as may be prescribed by related governmental requirements; otherwise, 6 years after settlement of tax liability (M-E). 10 years after completion of proceedings (M-E). 10 years after settlement of tax liability (M-E). Affecting maintenance and operations only, 10 years; affecting plant, permanently (M-10). As provided for item 72. Permanently. 1 year. Optional (M). 6 years. 6 years (M). 1 year (M). Optional after checks or drafts are presented or record is superseded (M). 6 years after bank account is closed (M-E). 6 years after authorization is cancelled (M-E). Optional (M). 6 years (M). As provided for related check or drafts; see item 18 (M). Optional (M). 6 years. 3 years (M). Optional after preparation of record of unpaid items or of outstanding checks or drafts (M). Optional (M). Do. 3 years (M). Optional after funds have been turned or accounted for (M). As provided for item 20-b. Optional (M). 6 years (M). 3 years (M). 6 years (M). 6 years (M).		
15	6 years after the related securities are sold, redeemed or otherwise disposed of or are written out of accounts as worthless.	Until superseded or obsolete (M). 10 years after completion of proceedings (M-E). Optional (M).		
16	10 years after completion of proceedings (M-E).	Permanent (M). As provided for item 163.		
17	Optional after expiration of patent (M). 6 years after termination of agreement. Optional after expiration of copyright (M). 6 years after expiration of patent or copyright (M-E). Do. 6 years after expiration of policies (M-E). Do. 6 years after supersedeure (M-E). Affecting maintenance and operations only, 10 years; affecting plant, permanently (M-10). 3 years (M). Do. Optional (M).			
18	6 years after settlement or rejection of related claims, or after date of papers if no claim is presented (M-E). Optional (M). 6 years after settlement or rejection of related claims (M-E).			
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50				
51				
52				
53				
54				
55				
56				
57				
58				
59				
60				
61				
62				
63				
64				
65				
66				
67				
68				
69				
70				
71				
72				
73				
74				
75				
76				
77				
78				
79				
80				
81				
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95				
96				
97				
98				
99				
100				

PROPOSED RULE MAKING

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
<i>Corporate and general—Continued</i>					
19	<p>Pension trust funds:</p> <p>a. Trust agreements, with all amendments and correspondence with trustee interpreting or clarifying provisions thereof.</p> <p>b. Trustee's annual or other periodic general report covering receipts, disbursements, investments and income of trust fund.</p> <p>c. Reports of verification or audit of trustee's report.</p> <p>d. Trustee's notices of individual trust fund receipts, disbursements and other transactions and summaries thereof, when the results of such transactions are reflected in Trustee's periodic general reports.</p> <p>e. Book, card, or other memorandum records of trust fund transactions maintained for informational and verification purposes, not used as basis for entries to accounts.</p> <p>f. Annual analysis of investments and operations of trust fund, prepared by or for the company.</p> <p>g. Copy of report to Trustee covering changes in pension rolls.</p> <p>h. Copy of Trustee's pension disbursements made by company.</p> <p>i. Miscellaneous correspondence with Trustee and memoranda and studies of pension trust fund activities for administrative purposes.</p> <p>j. Actuarial computations or studies determining pension accruals and reports of results thereof.</p>	<p>Permanently.</p> <p>25 years.</p> <p>6 years (M).</p> <p>Do.</p> <p>Do.</p> <p>10 years.</p> <p>3 years (M).</p> <p>Do.</p> <p>Optional (M).</p> <p>Permanently.</p>		<p>Pay-roll records—Continued</p> <p>e. Basic detailed reports or records of time or work paid for and of accounting classifications therefor, such as employees' time and work reports, time books, time cards, force assignment lists, daily faces memoranda, and attendance or other reports.</p> <p>(1) Used to determine time paid for salaries and wages earned.</p> <p>(2) If the basic information has been included in other records and such other records are retained in accordance with periods specified herein for basic summaries and distributions.</p> <p>(3) If the basic information has not been transcribed to other records:</p> <p>(a) Affecting plant.</p> <p>(b) Affecting operations, maintenance, and other accounts.</p> <p>f. Pay-roll deduction authorizations, deduction cards, and other records of withholdings or deductions from pay:</p> <p>(1) For income, social security, or other taxes.</p> <p>(2) For other allotments or deductions.</p> <p>g. Records of assignments, attachments, and garnishments of employees' salaries and wages, including notices of suits and releases and related correspondence. (See item 10-b.)</p> <p>b. Addressograph plates, tabulating cards, or similar media used in preparing and summarizing pay-roll records, when the data thereon are also shown on pay-roll sheets, pay-roll change reports, employees' service records, pay-roll summaries, or other records listed herein.</p> <p>i. Paid checks and drafts, receipts for wages paid in cash, and other evidences of payments for salaries and wages.</p> <p>j. Cards, lists, or other records of earnings for individual employees:</p> <p>(1) Used in computing pensions or annuities.</p> <p>(2) Used for current pay-roll record purposes.</p> <p>k. Authorizations, case records, special pay rolls, or other records of sickness and accident disability and other benefits to employees and their beneficiaries. (See items 13-a and 22-1.)</p> <p>l. Pension or annuity pay rolls, reports of changes therein and related authorizations.</p> <p>m. Control and recapitulation forms, summaries, and distribution records.</p> <p>(1) Used to determine pay-roll amounts and deductions.</p> <p>(2) Used to summarize or distribute time or pay-roll amounts to accounts, estimates, jobs, accounting areas, etc.</p> <p>(3) Summaries and statements of pay-roll costs and related work sheets used in developing costs by labor groups or classes and rates for distributing cost of labor.</p> <p>n. Records of authorized occupational titles or positions and related authorized pay schedules or rates and wage and salary guides.</p> <p>o. Memoranda, studies, statements, summaries and reports of pay-roll data used for administrative purposes only.</p>	<p>3 years (M).</p> <p>Optional (M).</p> <p>Permanently (M-25).</p> <p>10 years (M).</p> <p>Such period as may be prescribed by related governmental requirements; otherwise, optional (M).</p> <p>3 years (M).</p> <p>Optional (M).</p> <p>6 years (M).</p> <p>6 years after termination of employment (M).</p> <p>Do.</p> <p>10 years (M-3).</p> <p>6 years.</p> <p>Affecting maintenance and operations only, 10 years; affecting plant, permanently.</p> <p>Do.</p> <p>6 years after superseding or cancellation.</p> <p>Optional (M).</p> <p>Do.</p> <p>Do.</p> <p>Do.</p> <p>6 years after superseding or cancellation.</p> <p>6 years after superseding or cancellation (M-E).</p> <p>6 years after expiration or cancellation (M-E).</p> <p>Optional (M).</p> <p>Do.</p>
20	<p>Vouchers:</p> <p>a. Registers of audited vouchers, voucher distribution registers and summaries of entries to accounts from vouchers.</p> <p>(1) Distribution summaries of miscellaneous minor departmental vouchers.</p> <p>(2) Voucher registers and general voucher distribution summaries.</p> <p>b. All vouchers including (a) bills, statements of account, reports of expenditures, requests for vouchers, memoranda, or other papers serving as the basis for vouchers; (b) voucher lists and analysis sheets showing detailed accounting distribution of charges on individual vouchers; (c) copies of authorizations for payment or credit issued by audit office, including copies of vouchers and voucher checks; and (d) other supporting papers not separately provided for in this List of Records; related to:</p> <p>(1) Retirement of stock and long-term debt issued or assumed by the company.</p> <p>(2) Acquisition of stock or evidences of debt and other investments (including advances) in other telephone companies.</p> <p>(3) Purchase or other acquisition of plant of other telephone companies.</p> <p>(4) Purchase of real estate.</p> <p>(5) Other charges and credits affecting the plant accounts.</p> <p>(6) If required for determination of cost of plant retired.</p> <p>(7) If not so required and if all basic data shown on the vouchers and supporting papers affecting the plant accounts and property records have been transferred to or summarized on the related summarization and distribution records (items 20-a, 45-b, and 57), actual cost and price records (items 36, 56-b, and 58-d), or other records (see items 37, 38, and 39) retained in accordance with this List of Records.</p> <p>(c) If not so transcribed or summarized.</p> <p>(6) Other transactions.</p> <p>c. Adjustments used to correct or adjust accounting classifications or other detail of vouchers previously issued.</p> <p>NOTE: Adjustment and other detail of vouchers used to adjust accounts receivable are covered by items 70-g and 70-h.</p> <p>d. Index records of vouchers approved and payments made.</p> <p>e. Indexes or other memoranda of vouchers to be made and transmitted lists of vouchers.</p> <p>f. Lists of unaudited bills and memoranda or correspondence regarding changes in unaudited bills, not used as a basis for journal entries.</p> <p>g. Authorities for payment of specific vouchers or lists of vouchers.</p> <p>h. Journal vouchers used in lieu of journal entries for entries to ledgers of accounts referred to in item 7-a.</p>	<p>Permanently.</p> <p>25 years.</p> <p>6 years (M).</p> <p>Do.</p> <p>Do.</p> <p>10 years.</p> <p>3 years (M).</p> <p>Do.</p> <p>Optional (M).</p> <p>Permanently.</p> <p>25 years.</p> <p>Permanently.</p> <p>Do.</p> <p>Permanently.</p> <p>6 years after plant is retired (M-E).</p> <p>Do.</p> <p>10 years.</p> <p>Permanently (M-25).</p> <p>10 years.</p> <p>Optional (M).</p> <p>Do.</p> <p>Optional after preparation of record of unpaid items and of outstanding checks or drafts (M).</p> <p>Permanently.</p> <p>10 years (M).</p> <p>3 years (M).</p> <p>Optional (M).</p> <p>3 years after termination of employment (M).</p>		<p>Pay-roll records:</p> <p>a. Pay-roll sheets, registers, lists, ledgers, and other basic records of salaries and wages earned by and payments to individual employees for each payroll period.</p> <p>b. Pay-roll change reports or other approved applications or authorizations for establishing and changing salary and wage rates of individual employees and for making other changes in employees' service records.</p> <p>c. Applications for pay-roll changes not authorized.</p> <p>d. Employees' service records showing salary and wage rates, length of service, occupational titles, and similar data. (See item 22-b.)</p>	<p>6 years after superseding or cancellation.</p> <p>6 years after superseding or cancellation (M-E).</p> <p>6 years after expiration or cancellation (M-E).</p> <p>Optional (M).</p> <p>Do.</p>
21	<p>Pay-roll records:</p> <p>a. Pay-roll sheets, registers, lists, ledgers, and other basic records of salaries and wages earned by and payments to individual employees for each payroll period.</p> <p>b. Pay-roll change reports or other approved applications or authorizations for establishing and changing salary and wage rates of individual employees and for making other changes in employees' service records.</p> <p>c. Applications for pay-roll changes not authorized.</p> <p>d. Employees' service records showing salary and wage rates, length of service, occupational titles, and similar data. (See item 22-b.)</p>	<p>6 years after superseding or cancellation.</p> <p>6 years after superseding or cancellation (M-E).</p> <p>6 years after expiration or cancellation (M-E).</p> <p>Optional (M).</p> <p>Do.</p>		<p>Organization charts, records, and notices of changes.</p> <p>Employees' identification cards and photographs, building passes, and records thereof.</p>	<p>6 years after superseding or cancellation.</p> <p>6 years after superseding or cancellation (M-E).</p> <p>6 years after expiration or cancellation (M-E).</p> <p>Optional (M).</p> <p>Do.</p>

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
	<i>Corporate and general—Continued</i>			<i>Corporate and general—Continued</i>	
23	Personnel records—Continued 1. Reports of accidents, investigations, claims, releases, and similar reports relating to claims or possible claims against the carrier on account of injuries to or death of employees. Circulars, handbooks, training material, films, and other instructions (including amendments and supplements thereto) to employees and agents pertaining to: a. Accounting classifications. (1) Basic or general instructions, rulings, and interpretations. (2) Detailed instructions to employees. (3) Establishment and discontinuance of subaccounts, clearing, or temporary accounts established at the option of the company. b. Other general instructions, including those pertaining to accounting, statistical, engineering, construction, maintenance, operating, management, and other methods and practices. c. Transmittal and check lists of current instructions. d. Drafts and memoranda relating to preparation and issuance of instructions, except as provided in item 25-b-(1). e. Training programs, schedules, and material. f. Instructions covering performance of specific work operations. g. Accountants' and auditors' reports and verifications of records. h. Certificates and reports of annual examinations and audits by public accountants. i. Other reports of audits, examinations, and verifications. j. Adding machine lists, proofs of balance, check sheets, verification notices, interdepartmental memoranda, and other papers used solely to verify the accuracy or consistency of accounts, reports, or other records. Correspondence and memoranda: a. General letters and other correspondence and memoranda related to services furnished under license agreements, general service contracts, or other arrangements for general accounting, engineering, financial, legal, patent, and other general services. This includes copies of circulars, practices, handbooks, reports, etc., furnished in connection with such services. b. Other correspondence and memoranda and indexes thereto: (1) When necessary for a proper or complete understanding of another record. (2) When not so necessary and when not otherwise specifically provided for herein. c. Drafts, stenographers' notebooks, and dictaphone or other records used in preparing or producing correspondence and memoranda. d. Transmitted lists or forms used to indicate records forwarded from one location to another, when such lists or forms do not contain data used as a basis for entries to accounts or other records. (See items 17-b and 77-b.) Duplicate records: a. Duplicates, either in whole or in part, of accounts, forms, reports, correspondence and other records listed herein, when all significant information on the duplicate is shown on the original or other copy or on other records retained for the period prescribed in this List of Records and if such duplicate is not otherwise specifically provided for herein. b. Extra copies of correspondence used for tracing or following up correspondence, or for informational or other purposes, if the original or other copy is retained as provided herein under item 28. c. Stencils, negatives, and other records used in producing copies or duplicates of records. Records relating to preservation and destruction of records: a. General bulletins, circulars, lists of forms and other records, and other instructions pertaining to preservation and destruction of records. b. Historical record of designation of supervisory officials. (See § 45.2.) c. Index of records. (See § 45.4.) d. Reports of premature destruction. (See § 45.7.) Tabulating cards, unit tickets, pebbled summary strips, and similar media used in assembling data and obtaining totals thereof, when the source records from which the data are obtained and the resulting summary records (including printed sheets, total tickets, final peg-board summaries, distribution spread sheets, etc.) are retained as provided in this List of Records. Summaries of real property or other records maintained on tabulating cards or other machine-processed media: a. When all significant data have been transcribed therefrom to printed or other records preserved in accordance with this List of Records.	As provided for item 13-a. Permanently for major broad changes in accounting practices; others, 6 years after expiration or supersession (M-E). 6 years after expiration or supersession (M-E). Do. Optional after expiration or supersession except as provided for item 27-a (M). Optional (M). Do. Do. Permanently. 3 years (M). Optional (M).	Summaries and property or other records maintained on tabulating cards or other machine-processed media—Continued b. When not so transcribed <i>Telephone plant</i> Plant ledger or other record of cost of plant by primary plant accounts, subaccounts, and plant or accounting areas. (See item 7-a.) NOTE: Administrative and statistical reports and analyses are covered by items 100 and 101. Book, card, or other records of individual property-record units (or items) of plant, such as for land, buildings, central offices, furniture, motor vehicles, etc., showing description, location, cost, and other data. Book, card, or other records of quantities of property-record units (or items) by plant or accounting areas, sizes, types, or other details. Monthly or other summaries of quantities or costs of property-record units (or items) which are the source of entries to property records covered by items 35, 36, and 37; sheets, plans, specifications, wiring lists, and other engineering records and related indexes and memoranda showing location and physical characteristics of plant owned or leased for use by the company. (See items 43-a and 48-d.) Superseded maps, diagrams, tabular record sheets, and similar engineering records that have been replaced by records covered by item 39. Records of periodic recollections of continuing property records and mortality summaries with detailed engineering or location records or physical summaries including related summaries of units (or items) shown on the detailed records or inventories and supporting work papers prepared for the purpose of such reconciliations. Engineer studies, plans, and related records in connection with advance planning of plant construction, maintenance, and relocations, not related to specific projects or proposed undertakings. This item includes such records as budgetary studies, annual or other provisional estimates and related construction programs, commercial surveys, forecasts of growth, exchange and toll fundamental plans, loop and trunk studies, general toll switching plans, general electrolysis studies, and other preliminary or advance studies and plans, with related work papers and memoranda, prior to the development of specific projects or proposed undertakings. Authorizations (or orders) and related records: a. Authorizations by and applications and reports to governmental authorities in connection with plant extensions, construction programs, purchases, sales, or other plant changes, exclusive of permits covered by item 46-d. b. Engineering studies, plans, and work authorizations (including both original and supplemental) or orders, including estimates, routine orders, and other authorizations except service orders (see item 44) with related maps, diagrams, specifications, contract proposals, and estimates of costs or quantities prepared in connection therewith, pertaining to: (1) Specific projects or undertakings that result in charges or credits to the plant accounts. (2) Specific projects or undertakings that do not result in entries to plant accounts, including such records related to (a) projects which were abandoned before any part of the project was completed and (b) plant maintenance or other work not involving entries to the plant accounts. c. Detailed memoranda or studies and related records prepared for the purpose of developing supporting details of projects or undertakings covered by item 43-b. d. Summaries, recapitulations, or lists of work authorizations or completion reports, used as the basis for approval thereof but not used as a basis for entries to accounts. (See item 45-b.) e. Administrative records and reports pertaining to the progress of work, the order in which jobs are to be completed, and similar records not used as a basis for entries to accounts.	For the period prescribed herein for the related summary, property or other record. Permanently. 6 years after record is superseded or plant is retired, provided mortality data are retained (M-E). 6 years after record is superseded or provided mortality data are retained (M-E). Permanently. Until record is superseded or 6 years after plant is retired, provided mortality data are retained (M-E). Optional, provided mortality data are retained (M). Permanently (M-29). Until study or plan is superseded or obsolete (M). 10 years or such further period as may be required by the governmental authority involved. When required for determination of cost of plant retired, 6 years after plant is retired; otherwise, 10 years after completion of accounting for related project or undertaking (M-E). 6 years after completion of accounting for project or undertaking (M-E). When required for determination of cost of plant retired, 6 years after plant is retired; otherwise, optional after approval of completion reports referred to in item 43-h (M-E), 10 years (M). Optional (QM).	

PROPOSED RULE MAKING

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
	Telephone plant—Continued			Telephone plant—Continued	
	g. Completed work prints or other records used as the basis for entries to the detailed location and engineering records covered by item 39.	When required for determination of cost of plant retired, 6 years after plant is retired; otherwise, 10 years after completion of accounting for related project or undertaking (M-E).		Records of accounting for plant construction, maintenance, retirement, purchases, and sales. Continued.	3 years (M). As provided for item 20-b.
	h. Monthly reports of plant under construction which has been completed ready for service and other reports or advices used as the basis for classifying plant costs as plant under construction, plant available for service, or property held for future telephone use.	Do.		a. Detailed basic or underlying reports and other records from which all data affecting the accounts or property records have been transcribed to, or summarized on, other records retained in accordance with this List of Records.—Continued	As provided for items 21-e, 56-a, and 45-a (4). 3 years (M). 3 years after report is superseded (M-E). 6 years (M).
	i. Estimate of other cost ledger sheets or similar records on which are recorded the summary form or in detail, the entries for labor, material, and overheads for plant in service, plant retired, and other charges and credits to plant accounts.	Do.		(4) Vouchers and supporting papers, including bills for construction or other services performed by others.	Do.
	j. Estimate of other cost ledger sheets or similar records used to record expense or other accounts except plant accounts.	10 years.		(7) Reports of use of motor vehicles and other work equipment.	3 years (M).
	k. Service orders (including contract, line or other orders) used to establish, change, or discontinue service to customers.	Do.		(8) Reports of floor space occupancy, for distribution of house	3 years (M).
	l. Copies of service orders, lists, tickets, or other memoranda based on service orders and supporting forms such as wiring plan work sheets and assignment memoranda, used as instructions for performance of plant work involved in completing service orders.	Optional (M).		(9) Copies of bills to others or billing authorizations, with supporting work papers.	3 years (M).
	m. Copies of service orders used to check accuracy of work and material reports.	Do.		(10) Reports of transfers of plant items or costs between locations or accounts.	3 years (M).
	n. Copies of service orders used as a basis for entries to:	As provided for items 21-e, 56-a, and 45-a (4).		(11) Other detailed underlying records, not otherwise provided for in this list of records. (See items 43-f, 40-a, 50-b (2), 55-f, 55-g, and 55-h).	As provided for item 20-a.
	(1) Plant and expense accounts, that is, when used in lieu of, or when similar to, basic work or material reports.	3 years (M).		b. Summary and distribution sheets, control and recapitulation forms and similar records (including printed tabulating sheets, total tickets, and pebbled summaries) used to summarize or distribute costs or quantities of labor, material and supplies, units (or items) of plant installed or retired, expenses of house service, motor vehicles, tools, plant supervision, engineering, sundry disbursements, and details of the entries to plant and expense accounts, continuing authorizations, records, or cost records of estimates or other work authorizations and summaries.	10 years. Permanently. Optional (M).
	(2) Statistical records of telephones, etc.	Optional (M).		(2) Other summaries and distributions.	Same period as related summary or distribution record.
	(3) Customers' service records in business offices.	Do.		(3) Affecting plant.	Permanently.
	(4) Directory records.	Do.		(4) Tabulating cards and similar media (see item 28) used in assembling or computing data and obtaining totals thereof.	Same period as related summary or distribution record.
	(5) Traffic information or other central office records.	Do.		(5) Work sheets or other records showing development of average hourly labor costs or other distribution or clearance rates used in distributions shown on records covered by item 45-b.	Permanently.
	(6) Cards or other forms used as records of uncompleted or held service applications or orders.	Until service is furnished or application or order is canceled (M).		(6) Lists of retirement unit costs, work sheets used in developing such costs, and work papers or engineering studies used in developing preliminary units costs underlying retirement unit costs or (b) estimated costs of plant retired.	Do.
	(7) Cash or other individual record of telephones or other equipment "left-in" on premises of former customers.	Optional after reconnoiter or retirement of left-in equipment (M).		(7) Work sheets for determining wiring gain or loss and central office cross-connection adjustments.	6 years (M). 6 years.
	o. Lists, cards, or other records of subscriber plant facilities, trunks, circuits, or other plant available for assignment or assigned, including records of working interoffice trunks, circuits, and circuits, toll circuit layouts, and equipment associated with particular lines or circuits.	Until record is superseded or is retired from active file (M).		(8) Summaries or similar records of plant quantities or costs and related data, not used as a basis for entries to accounts or continuing property records, prepared for:	Same period as the reports to which they relate. Permanently (M-25).
	p. Lists or orders to connect, transfer, or disconnect trunks, circuits or subscriber plant facilities, not used as the basis for entries to accounts.	Optional (M).		(1) Entries to tax district records or reports.	10 years.
	q. Tickets, log sheets, subscriber line cards, toll circuit trouble records or other forms used to record individual trouble reports and conditions found:	1 year after record is superseded or is retired from active file (M-E).		(2) Entries to estimate or other cost records for work authorizations or orders.	Permanently.
	(1) Historical records, such as subscriber line cards and toll circuit trouble history records.	Optional (M).		(3) Statistical, informational or other administrative reports.	Same period as the reports to which they relate. Permanently (M-25).
	(2) Other records.	Do.		b. Original cost and reserve studies, work sheets, correspondence, and memoranda related to accounting for plant costs or other acquisitions of plant from predecessors, not provided for elsewhere in this list of records. (See items 8-c, 35 to 39, 42-a, 43-b, 46, and 50-a).	10 years.
	i. Test and inspection schedules, instructions, check lists and other working papers, and reports or records of results, exclusive of records of troubles covered by item 44-h and records of defects, etc., covered by item 44-i.	Optional after record is superseded or work is completed (M).		i. Original cost and reserve studies, work sheets, correspondence, and memoranda related to accounting for sales of plant.	Permanently.
	j. Lists or other records of plant defects, potential defects or unsatisfactory plant conditions, maintained as a basis for remedial work.	Until list is superseded or equipment is retired (M).		j. Records pertaining to reclassifications of plant accounts, to conform with prescribed systems of accounts or for other purposes, including supporting papers showing the bases for such reclassifications.	Same periods as prescribed for the records of property to which they relate.
	k. Lists or other records of equipment maintenance.	1 year and such further period in certain cases such as is required by FCC's rules for radio operations (M).		a. Contracts or agreements relating to construction, purchase or other acquisition or sale, removal or other disposal of telephone plant.	6 years after retirement. 6 years after expiration of agreement. 6 years after termination of contract or agreement.
	l. Radio transmitting and receiving station log sheet or other station record showing when energized, changes in frequency, reports of trouble, results of routine tests, etc.	Do.		b. Contracts or agreements for joint ownership or joint use of telephone plant:	1 year after expiration or cancellation of permit, etc. (M-E).
	m. Records of accounting for plant construction, maintenance, retirement, purchases, and sales. (See also items 7, 20, 21-e, 21-m, 50-a, and 57).	As provided for item 21-e (M).		(1) Poles and minor items.	Same periods as prescribed for the records of property to which they relate.
	n. Detailed basic or underlying reports and other records from which all data affecting the accounts or property records have been transcribed to, or summarized on, other records retained in accordance with this List of Records. (See item 45-b).	Optional (M).		(2) Major items.	6 years after retirement. 6 years after expiration of agreement. 6 years after termination of contract or agreement.
	(1) Employees' work reports.	When required for determination of cost of plant retired, 6 years after plant is retired; otherwise, 3 years (M-E).		c. Contracts or agreements relating to maintenance of telephone plant, house service, delivery of material and supplies, and servicing of office of motor vehicles or other work equipment.	1 year after expiration or cancellation of permit, etc. (M-E).
	(2) Memoranda of work done and time spent thereon, made by employees preliminary to and for use in preparing daily or other periodic work and material reports.	Do.		d. Permits, privileges, or rights:	Same periods as prescribed for the records of property to which they relate.
	(3) Reports of material used and recovered.	Do.		(1) Permits, privileges, or rights:	1 year after expiration or cancellation of permit, etc. (M-E).
				(2) Right of way, easements, or other governmental applications and correspondence.	Same periods as prescribed for the records of property to which they relate.

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
<i>Telephone plant—Continued</i>					
	Contracts, agreements, permits, licenses, and rights—Continued			Depreciation and amortization—Continued	
	d. Permits, privileges, or rights—Continued			e. Reserve studies in connection with accounting for:	Permanently (M-25). 10 years. Until superseded or obsolete (M).
	(2) Continuing and limited-term permits or from governmental authorities or others.			(1) Purchases	
	(3) Copies of permits or granted applications for the use of facilities by others, together with notices of cancellation.	3 years after expiration, cancellation, or abandonment (M-E). 1 year after expiration or cancellation (M-E). Optional (M).		(2) Sales	
	(4) Applications from others for the use of facilities not granted and copies of applications to others for such use not granted.			f. Theoretical reserve studies, not covered by item 4-e, including any related work sheets or other records prepared in connection therewith.	Such period as may be prescribed by related governmental requirements; otherwise, 6 years after settlement of tax liability.
	e. Leases or other agreements covering rentals of property to or from others.	6 years after expiration or cancellation (M-E).		g. Records prepared to support depreciation expense claimed in income tax returns.	
	f. Bids, offers, correspondence, and memoranda relating to contracts or agreements to or to contract proposals:				
	(1) When necessary for a proper or complete understanding of a resulting contract or agreement. (See item 6-m.)	Same period as for the related contract or agreement. Optional (M).	50	Inventories, appraisals, and separations:	
47	(2) When not so necessary	Do.		a. Inventories and appraisals of work papers showing development of purchase or sale price of plant, or used as a basis for accounting therefor:	Permanently (M-25). 10 years.
	Summaries, reports, studies, and analyses of plant results, performance, personnel, working practices, or plant conditions, etc., prepared for administrative purposes only, together with related supporting and working papers not separately provided for in this List of Records. This includes such records related to (a) plant troubles, by major classes of plant or particular plant items or kinds of trouble, (b) force requirements and results, (c) quality or promptness of work performed, (d) accident prevention, (e) types or ages of motor vehicles or other equipment, (f) cable or party line fill, (g) performance of various types or items of equipment or other plant, (h) wages and other costs, and (i) other matters or conditions affecting plant work operations or results. (See items 22, 23, 101, 104, and 106-b.)			(1) Purchases	
	NOTE: This item does not include engineering studies covered by items 42, 43-b, and 43-c nor any records used as a basis for entries to accounts or other records required to be retained for a period specified herein.			(2) Sales	
48	Miscellaneous records related to plant administration:			a. Sales, inventories, appraisals, or valuations of the company's plant, including all work papers, reports, studies, memoranda, and other underlying records prepared in connection therewith:	10 years after completion of any formal proceedings; otherwise, 10 years (M-E). Permanently.
	a. Departmental personnel records and reports of employment office activities (see items 22-a and 22-b), including employees' identification cards, building passes and records thereof. (See item 22-h.)	Do.		(1) When results have been furnished to regulatory or other governmental authorities, but not used as a basis for entries to accounts or property records.	Until results of second following inventory have been entered in the accounts. Until superseded or obsolete (M).
	b. Receipts or records pertaining to delivery to employees of articles to be returned or accounted for. (See item 106-l.)			(2) When results have been used as a basis for entries to plant accounts or property records, except as provided for item 50-b-(3).	Until completion of second following study. Until superseded or obsolete (M).
	c. Licenses for operation of motor vehicles and records thereof.			(3) Annual or other periodic inventories of furniture and other office or work equipment and of material and supplies, used as a basis for adjustments of accounts.	
	d. Training programs, schedules, and material. (See item 22-c.)			(4) Used for other purposes.	
	e. Administrative routines, circulars, handbooks or other general instructions to employees.			c. Separation studies of property, revenues, or expenses, including underlying summaries, reports, or work papers prepared therefor:	
	f. Instructions covering performance of specific work operations.			(1) Used for divisions of revenues or other settlements among carriers.	
	g. Lists, indexes, or similar records used for dispatching or routing employees.			(2) Used for other purposes.	
	h. Work orders, orders, or similar records assigning specific jobs or work operations.			<i>Material and supplies</i>	
	i. Material or supervisory purposes, etc., prepared solely for informational or organizational purposes. (See item 106-b.)			Purchases, sales, and repairs (including conversion or remanufacture):	
	j. Organization charts, conference programs and related material. (See item 106-k.)			a. General contracts with affiliated companies for the purchase, sale, or repair of material and supplies.	25 years after expiration or cancellation (M-10). 6 years after expiration or cancellation (M-E).
	k. Reports of insurance inspections and related recommendations. (See item 12-f.)			b. Other contracts or agreements for purchase, sale, or repair of material and supplies. (See item 46-c.)	
	l. Reports and other records of investigation of damage to or loss of property of the carrier or of others and records of watch and guard and detective services:			c. Bids, offers, copies of acceptances, correspondence, and memoranda relating to contracts, agreements or proposals for purchase, sale, or repair of material and supplies:	Same period as for the related contract or agreement. Optional (M). Until superseded or obsolete (M).
	(1) Used as a basis for claims against others			(1) When necessary for a proper or complete understanding of a resulting contract or agreement.	
	(2) Related to claims or possible claims against the carrier			(2) When not so necessary	
	(3) Other records			d. Studies, forecasts, and advice of probable future requirements for material and supplies.	Optional (M).
	Records related to compliance with governmental directives, authorizations, and orders, not elsewhere provided for. (See item 106-n.)			e. Advice, requisitions or memoranda from storekeepers or others used as basis for preparing purchase orders, requisitions on suppliers, or orders for sale or other disposition of material and supplies.	Do.
	m. Studies of methods and new or improved items of plant for and used for administrative purposes only.			f. Copies of purchase orders or requisitions on suppliers used as record of unfilled orders or for other administrative purposes.	Do.
	n. Miscellaneous records, studies, or reports not otherwise provided for and used for administration:			g. Acknowledgments of receipt of orders, notices of shipments, packing slips, copies of shipping instructions and bills of lading, lists or reports of unfilled orders or requisitions and records used in tracing orders or shipments.	6 years (M).
49	Depreciation and amortization:			h. Shipping or delivery receipts or acknowledgments, including copies of purchase orders or requisitions used therefor, or other records of receipt of material and supplies shown on invoices or bills.	6 years, except as provided for item 55-j (M).
	a. Schedules or lists of authorized depreciation or amortization rates.			i. Detailed invoices or bills for material and supplies purchased and credit memoranda covering scrap or material and supplies sold or returned for credit, together with any related lists, indexes, registers and records of claims or adjustments, when all basic data thereon affecting the accounts or property records are transcribed to or summarized on other records retained in accordance with this List of Records. (See items 55-j and 57.)	
	b. Studies, memoranda, and work sheets supporting computations of depreciation and amortization rates or expenses, including development of estimated service lives and salvage values.			j. Detailed invoices and credits and supporting records (or a true copy thereof) for material and supplies purchased or sold:	
	c. Mortality records:			(1) Required for determination of cost of plant retired.	
	(1) Continuing record of age distribution of mortality items in service and retired.			(2) If the basic data not been transcribed to or summarized on other records retained in accordance with this List of Records. (See items 45-b, 56-b, 57, and 58-1.)	6 years after plant is retired (M-E). Permanently.
	(2) Underlying summaries of mortality items added and retired.			k. Suppliers' price catalogs or price lists, lists of standard items or specifications of material and supplies, and price lists for repairs (one file copy):	
	d. Analyses, ledgers, or other historical records of the depreciation and amortization reserve accounts, including segregations of the reserves according to classes of plant or other subdivisions and segregations of charges and credits according to source or nature of entry.			(1) Pertaining to principal supplier.	Do.
				(2) Others.	6 years after superseded or obsolete (M-E).

PROPOSED RULE MAKING

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
	Material and supplies—Continued			Operations—Continued	
	Purchases, sales, and repairs (including conversion or remanufacture)—Continued			Contracts, applications, correspondence, and memoranda relative to establishing, changing, or discontinuing service to customers—Continued	1 year after completion, expiration or cancellation of contract or agreement.
	1. Price records or memoranda and indexes of purchases exclusive of records covered by item 56-b.	Optional (M).		b. Contracts covering arrangements with service line companies, public telephone and toll station agents, hotel private branch exchanges, and similar contracts related to service to customers.	1 year after completion of resulting service order or other service authorization.
	m. Copies of shipment or returned material notices or lists of material and supplies delivered to suppliers or others for inspection, repair, conversion, storage, or other disposition, and requisitions or other records of such material and supplies returned therefrom.	6 years, except as provided for item 55-n-(2) (M).		d. Correspondence with customers and memoranda covering customers' service requests, used as basis for service orders or other service authorizations.	Optional after significant data have been transcribed to service orders or other records (M).
	(1) Used as a basis for entries to accounts or property records, when all basic data on these detailed records are transcribed to or summarized on other records retained in accordance with this List of Records. (See item 57.)	Optional (M).		e. Contracts, applications, correspondence and memoranda covering customers' service requests that have been canceled, withdrawn, or abandoned.	Optional (M).
	o. Copies of shipment or returned material notices or lists used in tracing for credit or acknowledgment of receipt or for other auditing or administrative purposes.	6 years after plant is retired (M-E).		f. Contracts or agreements covering customers' deposits.	1 year after deposit is refunded, applied to customer's account or otherwise disposed of (M-E).
	p. Authorizations for sale of scrap, surplus or other material and supplies, and reports of disposition thereof.	As provided for item 55-a.		g. Contracts or agreements with customers or others for extension of lines or other construction of plant involving refundable deposits, guarantees of revenue, contributions, cost reimbursements, or special termination charges.	1 year after completion or termination of contract or agreement (M-E).
	q. Invoices or bills and related salvage credits for repairs of material and supplies.	6 years (M).		(1) Refundable deposits, guarantees of revenue, or special termination charges (not specifically stated in tariffs).	Same periods as prescribed for the property to which they relate.
	r. Records of inspections and tests of material and supplies received.	Optional (M).		(2) Contributions or cost reimbursements.	Until service is furnished or application or order is canceled (M).
	s. Studies related to development, standardization, and nomenclature of new or improved items of material and supplies.	Do.		c. Records used for central office information purposes and other records of customers or former customers.	Optional after record is superseded or service is discontinued (M).
56	Material and supplies issued (or disbursed) and recovered:		71	a. Records of uncompleted or held service applications or service orders. (See item 44-d.)	Optional (M).
	a. Detailed basic or underlying reports or records of material and supplies issued, used, junked, lost, stolen or otherwise disbursed, recovered, returned to stock, or transferred between locations or accounts, showing quantities or costs and used as the basis for entries to accounting summaries or property records.	3 years, except as provided for item 56-a-(2) (M).		b. Service records of customers, including application cards, or other records showing name, address, telephone number, and details of service, maintained for general reference in handling contacts with customers. (See item 76-a for customers' service and equipment records used for billing.)	Do.
	(1) When all basic data thereon affecting the accounts or property records have been transcribed to or summarized on other records retained in accordance with this List of Records. (See item 57.)	6 years after plant is retired (M-E).		c. Records used for central office information purposes and other records of customers or former customers.	As provided for item 25-b.
	b. Lists of other records of unit prices or unit costs for material and supplies issued or recovered, including studies, memoranda, special summaries or other records prepared in connection with the development of such unit prices or unit costs.			d. Correspondence and memoranda relative to changes in telephone numbers.	Optional after significant data have been transcribed to service orders or other records (M).
	(1) Affecting maintenance and operations only.	10 years (M).		e. Memoranda of contacts relative to collections.	3 years (M).
	(2) Affecting plant.	Permanently.		f. Correspondence and memoranda of contacts relative to customers' service requests or inquiries and miscellaneous matters.	As provided for items 44-a, 44-b, and 44-c.
	c. Reports, studies or other records used for administrative purposes only, and not as a basis for entries to accounts or other records required to be retained for a period specified herein, including lists of articles received by field forces, records of forms used and on hand, receipts for other records of material loaned from supply stocks, and delivery instructions or reports.	As provided for item 45-b.		g. Service orders and other billing authorizations:	6 months (M).
57	Summary and distribute quantities or costs involved in accounting for purchases, issues or disbursements, returns, repairs, sales, transfers, or other transactions related to material and supplies.			a. Completed service orders and similar records or copies thereof (see item 44-c-(3)), notices of completion of service orders, restoral of service notices, and other authorizations used as basis for billing to customers and miscellaneous debtors or for entries to records used in such billing. (See items 76-a, 76-b, and 76-l.)	Optional (M).
58	Inventories and stock records:			b. Other copies of service orders and similar records.	As provided for items 44-a, 44-b, and 44-c.
	a. Annual or other periodic inventories of material and supplies used as a basis for adjustments of accounts, with record of related adjustments.	Until results of second following inventory have been entered in the accounts (M).		c. Tickets and other detailed message records:	6 months (M).
	b. Stock cards, inventory cards, and other detailed records pertaining to the taking of inventories, summarized in records covered by item 58-a.	Until results of first following inventory have been entered in the accounts (M).		a. Tickets, lists, or other detailed records of individual toll calls or messages, telegrams and similar messages, and messenger service charges, used as basis for billing to customers.	Optional (M).
	c. Minor or special inventories of particular items and related detailed records, reports, or memoranda, not used as a basis for adjustments of accounts.	Optional (M).		b. Tickets or other detailed records of local message or measured service usage, including photographs or lists of message register readings:	6 months (M).
	d. Material ledgers or continuing inventory records showing quantities or costs involved in transactions affecting the balance in the account for material and supplies, when such records are used:			(1) When summarized on other records used for billing covered by item 76-b.	Optional (M).
	(1) As a basis for developing unit prices for material issued or recovered.	Records affecting maintenance and operations only; 10 years; records affecting plant, permanently.		(2) If used for billing without preparation of summary records.	6 months (M).
	(2) As a basis for adjustments of accounts resulting from inventories.	Do.		c. Tickets, lists, or other detailed records used as basis of accounting for receipts from public or semipublic telephones, covering:	6 months (M).
	e. Stock cards, ledger sheets, or other records of material and supplies in custody of suppliers or agents.	6 years after record is superseded or custodianship is terminated (M-E).		(1) Toll calls or messages.	Optional (M).
	f. Stock or inventory records of stock on hand at particular locations, not used as a basis for entries to accounts.	Optional (M).		(2) Local calls or messages.	3 months (M).
				d. Unbillable (including unidentifiable) tickets used in accounting for operating revenues.	Optional (M).
				e. Tickets for uncompleted calls and memorandum or other tickets or detailed message records used only for operating or administrative purposes, not as a basis for billing or accounting, including such records used in handling calls, service observation, testing, checking, and the transmission of the carrier's own messages (official business).	Optional (M).
70	Operations			f. Tickets covering free or concession service.	As provided for item 78-d.
	Contracts, applications, correspondence, and memoranda relative to establishing, changing, or discontinuing service to customers:			g. Automatic message accounting tapes, tabulating cards, and similar records:	Optional after data used in billing have been transferred to the printed or other written record as used basis for billing and accounting (M).
	a. Contracts or agreements (with any related maps or diagrams) with customers covering specially engineered or assembled facilities and equipment or other special service arrangements for which the special charges involved are not specifically stated in tariffs, rate schedules, or other rate authorities.	1 year after completion, expiration or cancellation of contract or agreement.		(1) Central office tapes or other automatically produced basic detailed records of messages handled.	

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
Operations—Continued					
77	Collection reports and records: a. Bill or memorandum stubs representing payments by customers or others, itemized lists, collection notices, coin telephone collection stubs, and other detailed reports of revenues, coin collections of revenues, accounts receivable, and miscellaneous cash receipts (including receipts from dining rooms and vending machines): (1) Used as a basis for entries to accounting records and summarized or detailed in daily or other periodic cash reports. (See item 17-a.) (2) Used as a basis for administrative records or collection treatment of individual accounts. b. Receipts, remittance lists or forms (including adding machine tapes) covering records included under item 77-a-1, used as a basis for entries to accounting records or summaries. (See items 24-c and 25-d.) c. Coin telephone collection route sheets, records of coin telephone keys, locks, and seals, and other records and reports relative to coin telephone collections used for administrative purposes only. d. Records of individual accounts used only in administration of collections, including records of credit ratings, classifications or investigations. (See item 76-e.) e. Records of toll credit cards issued. f. Statements or reports of age or status of uncollected accounts. g. Authorizations for payment of customer's account by customer's bank. h. Correspondence and memoranda relative to collection of revenues or accounts receivable, including requests for explanation of items on bills or status of account and memoranda of investigations thereof, of correspondence covering routine or special collection treatment, forwarding addresses for bills, and similar matters: (1) When necessary for a proper or complete understanding of another record. (2) When not so necessary. i. Agreements covering payments of uncollected final accounts. j. Interdepartmental notices of bank deposits. (See item 16-a for notices from depositaries.) k. Subsidiary cash records or cash books covering collections of revenues and accounts receivable from customers and others: (1) Used to summarize reports of cash receipts (see items 17-a, 77-b, and 81-a) for preparation of journal entries. (2) Used as detailed records of collections from customers or others. l. Receipts and other records covering handling and transportation of funds collected; collection office memoranda of collections, deposits, and remittances; and miscellaneous administrative records pertaining to collection of revenues, accounts receivable and miscellaneous cash receipts; not used as a basis for entries to accounting records. (See items 16-a, 17-a, 76-e, and 77-a-1.) m. Free or partially free service: a. Records of individual authorizations, such as franks, issued for free or partially free service. b. Franks or other individual authorizations used, collected, or honored for furnishing of free or partially free service: (1) Authorizations of a continuing nature, e. g., related to monthly service rates. (2) Authorizations covering only specified messages or other specific charges. c. Requests for franks and void, unused, or unused franks, and records thereof. d. Tickets covering messages handled free or at reduced rates: (1) When significant data (see part 41 of F. C. C.'s Rules) thereon are shown on other records. (2) Otherwise. e. Adjustment vouchers or other authorizations used to adjust accounts with individuals in accordance with authorizations covered by items 76-a and 76-b. f. Summaries or reports of free or partially free service: (1) Used for entries to accounts. (2) Used for administrative purposes only.	Collection reports and records: a. Bill or memorandum stubs representing payments by customers or others, itemized lists, collection notices, coin telephone collection stubs, and other detailed reports of revenues, coin collections of revenues, accounts receivable, and miscellaneous cash receipts (including receipts from dining rooms and vending machines): (1) Used as a basis for entries to accounting records and summarized or detailed in daily or other periodic cash reports. (See item 17-a.) (2) Used as a basis for administrative records or collection treatment of individual accounts. b. Receipts, remittance lists or forms (including adding machine tapes) covering records included under item 77-a-1, used as a basis for entries to accounting records or summaries. (See items 24-c and 25-d.) c. Coin telephone collection route sheets, records of coin telephone keys, locks, and seals, and other records and reports relative to coin telephone collections used for administrative purposes only. d. Records of individual accounts used only in administration of collections, including records of credit ratings, classifications or investigations. (See item 76-e.) e. Records of toll credit cards issued. f. Statements or reports of age or status of uncollected accounts. g. Authorizations for payment of customer's account by customer's bank. h. Correspondence and memoranda relative to collection of revenues or accounts receivable, including requests for explanation of items on bills or status of account and memoranda of investigations thereof, of correspondence covering routine or special collection treatment, forwarding addresses for bills, and similar matters: (1) When necessary for a proper or complete understanding of another record. (2) When not so necessary. i. Agreements covering payments of uncollected final accounts. j. Interdepartmental notices of bank deposits. (See item 16-a for notices from depositaries.) k. Subsidiary cash records or cash books covering collections of revenues and accounts receivable from customers and others: (1) Used to summarize reports of cash receipts (see items 17-a, 77-b, and 81-a) for preparation of journal entries. (2) Used as detailed records of collections from customers or others. l. Receipts and other records covering handling and transportation of funds collected; collection office memoranda of collections, deposits, and remittances; and miscellaneous administrative records pertaining to collection of revenues, accounts receivable and miscellaneous cash receipts; not used as a basis for entries to accounting records. (See items 16-a, 17-a, 76-e, and 77-a-1.) m. Free or partially free service: a. Records of individual authorizations, such as franks, issued for free or partially free service. b. Franks or other individual authorizations used, collected, or honored for furnishing of free or partially free service: (1) Authorizations of a continuing nature, e. g., related to monthly service rates. (2) Authorizations covering only specified messages or other specific charges. c. Requests for franks and void, unused, or unused franks, and records thereof. d. Tickets covering messages handled free or at reduced rates: (1) When significant data (see part 41 of F. C. C.'s Rules) thereon are shown on other records. (2) Otherwise. e. Adjustment vouchers or other authorizations used to adjust accounts with individuals in accordance with authorizations covered by items 76-a and 76-b. f. Summaries or reports of free or partially free service: (1) Used for entries to accounts. (2) Used for administrative purposes only.	1 year (M). Optional (M). 3 years (M). Optional (M). Do. 1 year after expiration or cancellation (M-E). 1 year (M). Optional after expiration or cancellation (M). For the period prescribed for the record to which it relates. Optional (M). Optional after account is paid or, if uncollectible, 3 years after account is written off (M). Optional (M). 6 years (M). As provided for item 77-a. Optional (M). Until the end of the calendar year following that in which issued (M). 3 years after expiration or cancellation (M-E). Until the end of the calendar year following that in which used, collected, or honored (M). Optional (M). As provided for items 73-a, 73-b, and 73-c. Until the end of the calendar year following that in which prepared. 1 year. 6 years. Optional (M).		
78	Customers' deposits: a. Copy of contracts or agreements covering customers' deposits. b. Memorandum stubs or other records used to report customers' deposits. c. Card, book, or other continuing record of customers' deposits and related interest. d. Receipts (including paid voucher checks and voucher drafts) for customers' bills and other accounts receivable records. e. Record of service and equipment or other continuing record of services or facilities furnished, used as a basis for bills to customers. f. Continuing records of local message or measured service usage by individual customers' accounts. (See item 73-b for detailed records.) g. Continuing settlement records of individual public and semi-public telephone accounts. h. Individual account billing instructions, including local and toll message guide cards and toll billing instruction cards and other office memoranda used in preparing and mailing bills. i. Records of individual accounts with customers and collectors, including ledgers or records used in lieu thereof such as accounting stubs or copies of bills or statements issued. j. Records of accounts with miscellaneous debtors other than customers and collectors, including bill ledgers or copies of bills. (See item 45-a-10.) k. Detailed records of adjustments of customers' accounts, including authorizations for refunds, adjustment vouchers, or other authorizations to correct charges due to errors, service failures, etc. l. Uncollectible vouchers or other authorizations for writing off customers' accounts and other records and reports pertaining thereto. m. Work papers used in developing estimates of unbilled revenues and accounts receivable.	Optional after data used in billing have been transferred to the printed or other written record as used basis for billing and accounting (M). Optional (M). Do. 6 years after expiration or cancellation (see also item 10-e) (M-E). Until superseded or canceled. Optional (M). Do. 6 years after cancellation or supersession (M-E), becomes effective or rate proposal is denied (M-E). 3 years after charge becomes effective or rate proposal is denied (M-E). 3 years after charge becomes effective; if superseded or withdrawn, optional (M). As provided for item 25-b. 1 year after deposit is refunded, applied to customer's account, or otherwise disposed of, or provided for item 77-a. 6 years after deposit is refunded or service is discontinued (M). 6 years (M). For active accounts, 3 years after record is superseded; for discontinued accounts, 1 year (M). 1 year after record is superseded or retired from active file (M). Do. Optional (M). 1 year after payment or other disposition of account or accounts covered by each stub or other individual record (M). 3 years after payment or other disposition of account (M). 1 year (M). 6 years (M). 6 years after estimate is superseded (M).	Optional after data used in billing have been transferred to the printed or other written record as used basis for billing and accounting (M). Optional (M). Do. 6 years after expiration or cancellation (see also item 10-e) (M-E). Until superseded or canceled. Optional (M). Do. 6 years after cancellation or supersession (M-E), becomes effective or rate proposal is denied (M-E). 3 years after charge becomes effective or rate proposal is denied (M-E). 3 years after charge becomes effective; if superseded or withdrawn, optional (M). As provided for item 25-b. 1 year after deposit is refunded, applied to customer's account, or otherwise disposed of, or provided for item 77-a. 6 years after deposit is refunded or service is discontinued (M). 6 years (M). For active accounts, 3 years after record is superseded; for discontinued accounts, 1 year (M). 1 year after record is superseded or retired from active file (M). Do. Optional (M). 1 year after payment or other disposition of account or accounts covered by each stub or other individual record (M). 3 years after payment or other disposition of account (M). 1 year (M). 6 years (M). 6 years after estimate is superseded (M).	Optional after data used in billing have been transferred to the printed or other written record as used basis for billing and accounting (M). Optional (M). Do. 6 years after expiration or cancellation (see also item 10-e) (M-E). Until superseded or canceled. Optional (M). Do. 6 years after cancellation or supersession (M-E), becomes effective or rate proposal is denied (M-E). 3 years after charge becomes effective or rate proposal is denied (M-E). 3 years after charge becomes effective; if superseded or withdrawn, optional (M). As provided for item 25-b. 1 year after deposit is refunded, applied to customer's account, or otherwise disposed of, or provided for item 77-a. 6 years after deposit is refunded or service is discontinued (M). 6 years (M). For active accounts, 3 years after record is superseded; for discontinued accounts, 1 year (M). 1 year after record is superseded or retired from active file (M). Do. Optional (M). 1 year after payment or other disposition of account or accounts covered by each stub or other individual record (M). 3 years after payment or other disposition of account (M). 1 year (M). 6 years (M). 6 years after estimate is superseded (M).	

PROPOSED RULE MAKING

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
	Operations—Continued			Operations—Continued	
79	Taxes collected from customers and others: a. Copies of tax returns and supporting statements filed with taxing authorities. b. Special summaries of taxes and related data, used in compiling data for tax returns. c. Lists or other separate detailed reports of taxes billed to or collected from individual customers or others. Note: This item does not include message tickets, individual account records, or other records separately provided for in this List of Records. d. Certificates or other special records of tax exemptions. e. Division of revenues or other traffic settlements with communications common carriers: a. Contracts or agreements with other carriers for the interchange or joint handling of business and other traffic arrangements and settlements related thereto, together with associated memoranda, case files, or other records identifying business or property subject to such contracts or agreements. b. Copy of each concurrence in tariffs or other rate authorities filed with regulatory bodies. (See item 74-e.) c. Separation studies of property, revenues, or expenses, including underlying summaries, reports, or work papers prepared therefor, used for divisions of revenues or other settlements. d. General instructions or outlines of procedures used in divisions of revenues or other settlements. e. Division or other settlement statements, including copies of summaries, studies or reports used therefor, covering settlements with other communications common carriers. f. Summaries or memoranda used in computation of settlements, when results are summarized in records covered by item 80-e. Revenue accounting controlling records and summaries: a. Controlling records and summaries used in preparing journal entries to revenue, accounts receivable, and other accounts, including revenue, cash, transfer and other controls, proof of billing, and other summaries of data for journal entries. b. Statistical summaries or reports of revenues by accounts or classes of service, geographical subdivisions, etc., used for: (1) Reports to Federal and State regulatory commissions and other governmental authorities. (2) Used for administrative or informational purposes and not as a basis for entries to accounts or other records required to be retained for a period specified herein. Sales and servicing administration: a. Market cards and other basic records of customers or prospects involved in sales and commercial servicing activity. b. Memoranda used in interviews, sales, investigations of customers' service needs and other negotiations with customers, including diagrams, review forms, busy reports, recommendations, etc. c. Prospect lists or slips and other material used in determining prospects for sales or servicing effort. d. Reports, surveys, maps and other records pertaining to studies of markets, sales possibilities, new services, sales and servicing techniques, and similar matters.	Such period as may be prescribed by related governmental requirements; otherwise, 6 years after settlement of tax liability (M-E). Do. Such period as may be prescribed by related governmental requirements; otherwise, optional (M). Do. 6 years after expiration, cancellation, or supersession. 6 years after cancellation or supersession (M-E). 6 years (M-3). 6 months (M). 6 years. As provided for item 104. Optional (M). Do. Do. Do. Do. 3 years after supersession or discontinuance (M-E). Optional (M). Do. Until superseded or canceled (M). 3 months after termination (M). 3 years after expiration or cancellation (M-E). 1 year after expiration or cancellation (M). Optional (M). Do. 3 years (M). 1 year after payment or other disposition of accounts (M).	84	Directories—Continued 1. Records of prepaid directory expenses and accounting distributions of directory charges. m. Memoranda of individual directory errors. n. Advertising and information: a. Copies of advertisements or other records of advertising in newspapers, magazines, and other publications, showing name of publication, nature of advertisement, etc. b. Other public information material, including press releases, booklets, radio programs, films, etc. c. Correspondence and memoranda related to requests from public for information material, historical and scientific data, and explanations of company's policies or practices. (See item 74-d.) d. File copies and circulation records of publications issued by the company and other distribution lists for release of information material. e. Administrative studies or other records of material and services or advertising media used in operation of advertising and information services. f. Studies, surveys, analyses, correspondence and memoranda used in developing material for advertising and information purposes. g. File copies of publications, films, and other information material issued to employees. h. Contracts and agreements in connection with advertising and information services. i. Copyright applications and certificates. Administrative summaries, reports (exclusive of those covered by item 100), studies, analyses, plans, work programs, estimates, charts and similar records of results, performance, personnel, and working practices or conditions, etc., used for administrative purposes only and not as a basis for entries to accounts or other records required to be retained for a period specified in this List of Records, together with related supporting and working papers not separately provided for herein. This includes such records related to volume of business, operating loads and other work volumes, production and quality, force requirements and adjustment, work schedules and assignments, service observation and results, employment, training, organization, working conditions, salary and wage schedules, accident prevention, and other administration of personnel and work performance; studies of new or improved methods; and departmental administrative expense reports, analyses, budgetary studies and estimates. (See items 22, 23, 47, 48, 58-61, 100 to 104, and 106-b.) Miscellaneous operating records: a. Traffic peg counts: (1) Summaries showing totals by offices, areas, etc. (2) Detailed records of peg counts for which totals of significant data are shown on summaries covered by item 86-a-(1). b. Records used for traffic information, intercepting, routing, or other handling of calls. c. Maps, drawings, reports, and other records of subscriber plant facilities, trunks, circuits, or other plant available for assignment or assigned. (See item 44-f.) d. Traffic and commercial engineering records. e. Tickets, correspondence, memoranda of directory errors, or other records of complaints or criticisms from customers or directory advertisers, together with records of investigation and disposition thereof, related to: (1) Claims of damages due to service fault. (2) Claims of overcharges, whether or not resulting in refunds or adjustments of accounts receivable. (See item 76-e.) (3) Not involving claims of damages or overcharges. f. Copies of purchase orders, requisitions, transfer reports, returned material notices, sale or junk orders, or other records of furniture and office or work equipment, material and supplies, stationery, or office supplies used only in administration of such property or activities, not as a basis for entries to accounts or property records. (See items 55, 56, and 58.) g. Work programs, schedules, and assignments. h. Basic detailed reports or records of time or work paid for. i. Memoranda of work done and time spent thereon, made by employees preliminary to and for use in preparing detailed reports or other records used as the basis for entries to accounts. (See item 45-a-(2).) j. Photographs, drawings, maps, or similar records of buildings or other plant or equipment, floor plans or office layouts, used for informational or administrative purposes only and not as property records covered by item 59.	6 years (M). As provided for item 13-a. 6 years (M). Do. Optional (M). Do. Do. Do. Do. 6 years after expiration or cancellation (M-E). As provided for items 11-e and 11-d. Optional (M). Do. 2 year (M). Optional (M). Do. Until record is superseded or is retired from active file (M). As provided for items 42, 43, 85, 106-b, 106-c, or other item applicable to particular record. As provided for item 13-a. 1 year (M). Optional (M). Do. Optional, except as covered by item 21-e (M). As provided for item 21-a. Optional (M). Do.
80	Division of revenues or other traffic settlements with communications common carriers: a. Contracts or agreements with other carriers for the interchange or joint handling of business and other traffic arrangements and settlements related thereto, together with associated memoranda, case files, or other records identifying business or property subject to such contracts or agreements. b. Copy of each concurrence in tariffs or other rate authorities filed with regulatory bodies. (See item 74-e.) c. Separation studies of property, revenues, or expenses, including underlying summaries, reports, or work papers prepared therefor, used for divisions of revenues or other settlements. d. General instructions or outlines of procedures used in divisions of revenues or other settlements. e. Division or other settlement statements, including copies of summaries, studies or reports used therefor, covering settlements with other communications common carriers. f. Summaries or memoranda used in computation of settlements, when results are summarized in records covered by item 80-e. Revenue accounting controlling records and summaries: a. Controlling records and summaries used in preparing journal entries to revenue, accounts receivable, and other accounts, including revenue, cash, transfer and other controls, proof of billing, and other summaries of data for journal entries. b. Statistical summaries or reports of revenues by accounts or classes of service, geographical subdivisions, etc., used for: (1) Reports to Federal and State regulatory commissions and other governmental authorities. (2) Used for administrative or informational purposes and not as a basis for entries to accounts or other records required to be retained for a period specified herein. Sales and servicing administration: a. Market cards and other basic records of customers or prospects involved in sales and commercial servicing activity. b. Memoranda used in interviews, sales, investigations of customers' service needs and other negotiations with customers, including diagrams, review forms, busy reports, recommendations, etc. c. Prospect lists or slips and other material used in determining prospects for sales or servicing effort. d. Reports, surveys, maps and other records pertaining to studies of markets, sales possibilities, new services, sales and servicing techniques, and similar matters.	Such period as may be prescribed by related governmental requirements; otherwise, 6 years after settlement of tax liability (M-E). Do. Such period as may be prescribed by related governmental requirements; otherwise, optional (M). Do. 6 years after expiration, cancellation, or supersession. 6 years after cancellation or supersession (M-E). 6 years (M-3). 6 months (M). 6 years. As provided for item 104. Optional (M). Do. Do. Do. Do. 3 years after supersession or discontinuance (M-E). Optional (M). Do. Until superseded or canceled (M). 3 months after termination (M). 3 years after expiration or cancellation (M-E). 1 year after expiration or cancellation (M). Optional (M). Do. 3 years (M). 1 year after payment or other disposition of accounts (M).	85	Administrative summaries, reports (exclusive of those covered by item 100), studies, analyses, plans, work programs, estimates, charts and similar records of results, performance, personnel, and working practices or conditions, etc., used for administrative purposes only and not as a basis for entries to accounts or other records required to be retained for a period specified in this List of Records, together with related supporting and working papers not separately provided for herein. This includes such records related to volume of business, operating loads and other work volumes, production and quality, force requirements and adjustment, work schedules and assignments, service observation and results, employment, training, organization, working conditions, salary and wage schedules, accident prevention, and other administration of personnel and work performance; studies of new or improved methods; and departmental administrative expense reports, analyses, budgetary studies and estimates. (See items 22, 23, 47, 48, 58-61, 100 to 104, and 106-b.) Miscellaneous operating records: a. Traffic peg counts: (1) Summaries showing totals by offices, areas, etc. (2) Detailed records of peg counts for which totals of significant data are shown on summaries covered by item 86-a-(1). b. Records used for traffic information, intercepting, routing, or other handling of calls. c. Maps, drawings, reports, and other records of subscriber plant facilities, trunks, circuits, or other plant available for assignment or assigned. (See item 44-f.) d. Traffic and commercial engineering records. e. Tickets, correspondence, memoranda of directory errors, or other records of complaints or criticisms from customers or directory advertisers, together with records of investigation and disposition thereof, related to: (1) Claims of damages due to service fault. (2) Claims of overcharges, whether or not resulting in refunds or adjustments of accounts receivable. (See item 76-e.) (3) Not involving claims of damages or overcharges. f. Copies of purchase orders, requisitions, transfer reports, returned material notices, sale or junk orders, or other records of furniture and office or work equipment, material and supplies, stationery, or office supplies used only in administration of such property or activities, not as a basis for entries to accounts or property records. (See items 55, 56, and 58.) g. Work programs, schedules, and assignments. h. Basic detailed reports or records of time or work paid for. i. Memoranda of work done and time spent thereon, made by employees preliminary to and for use in preparing detailed reports or other records used as the basis for entries to accounts. (See item 45-a-(2).) j. Photographs, drawings, maps, or similar records of buildings or other plant or equipment, floor plans or office layouts, used for informational or administrative purposes only and not as property records covered by item 59.	6 years after expiration or cancellation (M-E). As provided for items 11-e and 11-d. Optional (M). Do. 2 year (M). Optional (M). Do. Until record is superseded or is retired from active file (M). As provided for items 42, 43, 85, 106-b, 106-c, or other item applicable to particular record. As provided for item 13-a. 1 year (M). Optional (M). Do. Optional, except as covered by item 21-e (M). As provided for item 21-a. Optional (M). Do.
81	Revenue accounting controlling records and summaries: a. Controlling records and summaries used in preparing journal entries to revenue, accounts receivable, and other accounts, including revenue, cash, transfer and other controls, proof of billing, and other summaries of data for journal entries. b. Statistical summaries or reports of revenues by accounts or classes of service, geographical subdivisions, etc., used for: (1) Reports to Federal and State regulatory commissions and other governmental authorities. (2) Used for administrative or informational purposes and not as a basis for entries to accounts or other records required to be retained for a period specified herein.	6 years after expiration or supersession (M-E). 6 years (M-3). 6 months (M). 6 years. As provided for item 104. Optional (M).	86	Miscellaneous operating records: a. Traffic engineering totals by offices, areas, etc. (1) Summing records of peg counts for which totals of significant data are shown on summaries covered by item 86-a-(1). (2) Detailed records of telephone calls, intercepting, routing, or other handling of calls. b. Records used for traffic information, intercepting, routing, or other handling of calls. c. Maps, drawings, reports, and other records of subscriber plant facilities, trunks, circuits, or other plant available for assignment or assigned. (See item 44-f.) d. Traffic and commercial engineering records.	6 years after expiration or cancellation (M-E). As provided for items 11-e and 11-d. Optional (M). Do. Until record is superseded or is retired from active file (M). As provided for items 42, 43, 85, 106-b, 106-c, or other item applicable to particular record. As provided for item 13-a. 1 year (M). Optional (M). Do.
82	Sales and servicing administration: a. Market cards and other basic records of customers or prospects involved in sales and commercial servicing activity. b. Memoranda used in interviews, sales, investigations of customers' service needs and other negotiations with customers, including diagrams, review forms, busy reports, recommendations, etc. c. Prospect lists or slips and other material used in determining prospects for sales or servicing effort. d. Reports, surveys, maps and other records pertaining to studies of markets, sales possibilities, new services, sales and servicing techniques, and similar matters.	3 years after expiration or supersession (M-E). Optional (M). Do. Do. Do. Do.	87	Tickets, correspondence, memoranda of directory errors, or other records of complaints or criticisms from customers or directory advertisers, together with records of investigation and disposition thereof, related to: (1) Claims of damages due to service fault. (2) Claims of overcharges, whether or not resulting in refunds or adjustments of accounts receivable. (See item 76-e.) (3) Not involving claims of damages or overcharges. f. Copies of purchase orders, requisitions, transfer reports, returned material notices, sale or junk orders, or other records of furniture and office or work equipment, material and supplies, stationery, or office supplies used only in administration of such property or activities, not as a basis for entries to accounts or property records. (See items 55, 56, and 58.) g. Work programs, schedules, and assignments. h. Basic detailed reports or records of time or work paid for. i. Memoranda of work done and time spent thereon, made by employees preliminary to and for use in preparing detailed reports or other records used as the basis for entries to accounts. (See item 45-a-(2).) j. Photographs, drawings, maps, or similar records of buildings or other plant or equipment, floor plans or office layouts, used for informational or administrative purposes only and not as property records covered by item 59.	As provided for item 13-a. 1 year (M). Optional (M). Do. Optional, except as covered by item 21-e (M). As provided for item 21-a. Optional (M). Do.
83	Directories: a. One file copy of each directory issued by the company for use by customers. b. Special directories or lists used by traffic operating forces or other employees, not issued to customers. c. Copies of service orders (see item 44-c-(3)), memoranda, and other records used as the basis for compilation of directories. d. Lists used for directory listings or special treatment thereof. e. Agreements with customers or others for leasing of directories. f. Contracts or agreements covering printing of directories, procurement of paper and other materials, sale by others of advertising in directories, delivery of directories, and sale or disposal of obsolete directories. g. Contracts or agreements with customers or other advertisers for sale of advertising in directories. h. Directory price lists, delivery records, administrative records and reports relating to lease, sale or purchase of directories and supplies therefor, and miscellaneous records incident to preparation and issuance of directories, not used as the basis for entries to accounts. i. Prospect lists, memoranda, schedules of advertising rates, and other administrative records and reports pertaining to canvassing for and sale of directory advertising, not used as the basis for entries to accounts. j. Billing authorizations for directory advertising or directories sold. k. Billing and account records of charges for directory advertising.	3 years after expiration or supersession (M-E). Optional (M). Do. Do. Do. Do. 3 years after expiration or supersession (M-E). 3 months after termination (M). 3 years after expiration or cancellation (M-E). 1 year after expiration or cancellation (M). Optional (M). Do. 3 years (M). 1 year after payment or other disposition of accounts (M).	88	Directories—Continued 1. Directories—Continued m. Memoranda of individual directory errors. n. Advertising and information: a. Copies of advertisements or other records of advertising in newspapers, magazines, and other publications, showing name of publication, nature of advertisement, etc. b. Other public information material, including press releases, booklets, radio programs, films, etc. c. Correspondence and memoranda related to requests from public for information material, historical and scientific data, and explanations of company's policies or practices. (See item 74-d.) d. File copies and circulation records of publications issued by the company and other distribution lists for release of information material. e. Administrative studies or other records of material and services or advertising media used in operation of advertising and information services. f. Studies, surveys, analyses, correspondence and memoranda used in developing material for advertising and information purposes. g. File copies of publications, films, and other information material issued to employees. h. Contracts and agreements in connection with advertising and information services. i. Copyright applications and certificates.	6 years (M). As provided for item 13-a. 6 years (M). Do. Optional (M). Do. Do. Do. Do. 6 years after expiration or cancellation (M-E). As provided for items 11-e and 11-d. Optional (M).

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
	Operations—Continued			Reports, statistics and miscellaneous—Continued	
	Miscellaneous operating records—Continued			Other records—Continued	
	k. Underlying statistical records of messages, telephones, and other data relative to volume of business or work performed, used as the basis for preparation of administrative summaries, reports, studies, etc., covered by items 85 or 101.	Optional (M).		b. Departmental records and reports prepared for administrative purposes only (including such records of quantities and quality of work performed), not used as a basis for entries to accounts or other records required to be retained for a period specified herein.	Optional (M)
	l. Watch and guard and detective services.	As provided for item 48-k.		c. Delegations of authority by officers or other employees, signature cards, and records thereof except as provided for item 16-h.	1 year after authorization is superseded or canceled (M).
	m. Accidents and damages.	As provided for item 13.		d. Memoranda of and receipts for records temporarily removed from files.	Optional after records have been returned (M).
	n. Records of operations other than communications common carrier operations.	As provided for item 13.		e. Receipts and other records pertaining to registered, insured, and other mail, express, postage, stationery, and other office supplies; not used as a basis for entries to accounts.	Optional (M).
	Reports, statistics and miscellaneous			f. Receipts and records pertaining to delivery to employees of articles to be returned or accounted for, such as badges, keys, tool kits, uniforms, instructions, safety paper, signature plates, etc.	Optional after articles have been returned or accounted for (M).
100	Monthly, annual, and other periodic administrative, financial, and statistical reports or statements regularly prepared to show the results of operations for the period and the financial condition of the company, for the information of officials. This includes the regular balance sheet and income statements, reports of operating revenues, expenses, and changes in plant, depreciation reserve, and surplus accounts, and general statistical reports of (a) quantities of plant owned or operated, (b) business handled, and (c) employees and wages.	Optional (M).		g. Indexes of records not otherwise provided for herein.	Until superseded or discontinued (M).
101	a. Annual reports.	25 years.		h. Work programs, work and progress reports, or other statements of work planned or performed, prepared solely for informational or supervisory purposes and not used as a basis for entries to accounts or other records required to be retained for a period specified herein.	Optional (M).
	b. Monthly and other periodic reports.	6 years.		i. Records of securities held for employees:	6 years (M).
	c. Quarterly and other statements of earnings, etc. (See item 4-o).	Optional (M).		(1) Receipts for securities delivered to employees, except as covered by item 106-m-(1).	Optional (M).
102	d. Other correspondence with stockholders relative to reports and statements furnished stockholders.	Permanently.		(2) Other records.	Do.
	e. Stockholders' acknowledgments of receipt of reports and requests for copies of reports.	6 years (M).		(3) Applications and pay roll deduction authorization records.	Do.
	f. Other correspondence with stockholders relative to reports and statements furnished stockholders.	Optional (M).		(4) Other records.	1 year (see note) (M).
103	Reports to Federal and state regulatory commissions and other governmental authorities. (See notes A and B below.)	As provided for items 4-o and 25-b.		(5) Directives, authorizations, and orders from governmental authorities and related records resulting therefrom, not otherwise provided for in this List of Records. (Note particularly items 4-a, 4-b, 5-3, 10-b, 10-d, 10-e, 11-4, 105, 104, and 105.)	Optional (see note) (M).
	a. Annual report to regulatory commissions presenting general financial, operating, and statistical data.	3 years after current year (M).		NOTE: These records shall be retained for any further period required by related statutes or regulations issued by the governmental authorities involved.	6 years (see note) (M).
	b. Other regular financial, operating and statistical reports to regulatory commissions.	Permanently.			
	c. Special, occasional, and other reports:				
	(1) Reports of sales of securities and application of proceeds.	Permanently, except optional after securities are redeemed, canceled, or otherwise retired (M-10).			
	(2) Other reports filed in compliance with rules or laws regulating issuance or sale of securities.	Do.			
	(3) Reports of plant extensions, purchases, sales, and other plant changes. (See item 43-a.)	10 years.			
	(4) Reports to taxing authorities.	Such period as may be prescribed by related governmental requirements; otherwise, 6 years after settlement of tax liability (M-E).			
	(5) Other reports to governmental authorities not otherwise provided for. (See item 10-d.)	3 years (M).			
104	Supporting and working papers for reports:				
	a. Supporting and working papers, exclusive of records provided for elsewhere in this List of Records. This item includes such statements, summaries, work sheets, cross-references to sources, instructions for preparation of reports and other papers prepared in connection with the compilation of reports covered by items 100 to 103 as are necessary to trace or verify such compilation.	Same period as the reports to which they relate.			
	b. Preliminary drafts, proofs, memoranda and other papers prepared in connection with compilation of reports which are not necessary to trace or verify such compilation.	Optional (M).			
105	Tabulating cards and similar media (see item 28) used in compiling or assembling data for reports when the source records from which the data are obtained and the resulting printed sheets or other summary records are retained as provided in this List of Records. (See also item 29.)	Do.			
106	Other records:				
	a. Reports to securities exchanges, filed in accordance with regulations of such exchanges.	Permanently (M-10).			

PART 46—PRESERVATION OF RECORDS OF WIRE-TELEGRAPH, OCEAN-CABLE, AND RADIOTELEGRAPH CARRIERS

APPLICABILITY

Sec. 46.01

Applicability.

GENERAL INSTRUCTIONS

Scope of the regulations in this part.

Designation of supervisory official.

Protection and storage of records.

Index of records.

Preservation of records on microfilm.

Destruction of records.

Premature destruction.

Extension of period of retention of telegraph messages.

LIST OF RECORDS

APPLICABILITY

List of records.

Do.

APPLICABILITY

§ 46.01 Applicability. This part is prescribed and promulgated as the regulations governing the preservation of records of communication common carriers, subject to the jurisdiction of the

carriers, subject to the jurisdiction of the

carriers, subject to the jurisdiction of the

carriers, subject to the jurisdiction of the

carriers, subject to the jurisdiction of the

carriers, subject to the jurisdiction of the

carriers, subject to the jurisdiction of the

carriers, subject to the jurisdiction of the

§ 46.1 Scope of the regulations in this part.

(a) The regulations in this part apply to all accounts, records, memoranda, documents, papers, and correspondence prepared by or on behalf of the carrier as well as those which come into its possession in connection with the acquisition of property, such as by purchase, consolidation, merger, etc.

(b) The regulations in this part shall not be construed as requiring the preparation of accounts, records, or memoranda not required to be prepared by other regulations, such as the uniform systems of accounts, of the Commission.

(c) The regulations in this part shall not be construed as excusing compliance with any other lawful requirement for the preservation of records for periods longer than those prescribed in this part.

PROPOSED RULE MAKING

(d) Unless otherwise specified in § 46.9, duplicate copies of records may be destroyed at any time: *Provided, however*, That such duplicate copies contain no significant information not shown on the originals and that precautions have been taken to assure the continued retention of the originals (or one true copy) for the full period required under the regulations in this part. (See Item 26-a of § 46.9.)

(e) Records other than those listed in § 46.9 may be destroyed at the option of the carrier: *Provided, however*, That records which are used in lieu of those listed shall be preserved for the periods prescribed for records used for substantially similar purposes.

§ 46.2 *Designation of supervisory official.* Each carrier subject to the regulations in this part shall designate an official to supervise the preservation and the authorized destruction of its records.

§ 46.3 *Protection and storage of records.* The carrier shall protect records subject to the regulations in this part from damage from fires, floods, and other hazards and, in the selection of storage spaces, safeguard the records from unnecessary exposure to deterioration from excessive humidity, dryness, or lack of proper ventilation.

§ 46.4 *Index of records.* There shall be available in the offices of the carrier a comprehensive and current index of the records of the carrier that are required to be preserved under the provisions of the regulations in this part. Such index shall indicate, by classes and general description, the physical location of the records and the location and title of the immediate custodian. Likewise, at each office or other depository where records are kept or stored, such records as are herein required to be preserved shall be so arranged, filed, or indexed that they may be readily identified and made available to representatives of the Commission.

§ 46.5 *Preservation of records on microfilm.* (a) As indicated in § 46.9, certain records may be microfilmed and the film retained in lieu of the original records, provided the procedures prescribed in paragraphs (b) to (f) of this section are followed.

(b) Prior to photographing, the records shall be so prepared, arranged, classified, and identified as readily to permit the subsequent location, examination, and reproduction of the photographs thereof. Any significant characteristic, feature, or other attribute of the original records which photography would not reflect clearly (e. g., that the record is a copy or that certain figures thereon are red) shall be so indicated on the records at the time of such arrangement, classification, and identification. When a number of the records to be microfilmed have in common such a characteristic or attribute, an appropriate notation identifying the characteristic or attribute may be indicated in a statement at the beginning of the roll of film instead of on each individual record.

(c) Each roll of film shall include a microfilm of a certificate or certificates

stating that the photographs are direct and facsimile reproductions of the original records and that they have been made in accordance with prescribed instructions. Such certificate or certificates shall be executed by a person or persons having personal knowledge of the facts covered thereby.

(d) The photographic matter on each roll shall commence and end with a statement as to the nature and arrangement of the records reproduced, the name of the photographer, and the date. Rolls of film shall not be cut. Supplemental or retaken film, whether of misplaced or omitted documents or of portions of a film found to be spoiled or illegible or of other matter, shall be attached to the beginning of the roll, and in such event the aforementioned certificate or certificates shall cover also such supplemental or retaken film and shall state the reasons for taking such film.

(e) All film stock shall be of approved permanent-record microcopying type of 16 mm. or 35 mm. size, either perforated or unperforated, such as meets the minimum specifications of the National Bureau of Standards. (Such film stock may be identified by a manufacturers' mark, a solid triangle after the word "safety" in the edge marking of the film.) The photographing and processing shall be such that reproductions on photographic paper can be made, similar in size without significant loss of clarity of detail, during the period prescribed in these rules for the retention of the records concerned. The carrier shall be prepared to furnish, at its own expense, appropriate standard facilities for reading the microfilm. If the Commission so directs the carrier shall furnish photographic reproductions of records the originals of which have been destroyed under the provisions of this instruction.

(f) The microfilms shall be indexed and retained in such manner as will render them readily accessible and identifiable. They shall be stored in such manner as to provide reasonable protection from hazards such as fire, flood, theft, etc. The films should be cared for in such a manner as to prevent cracking, breaking, splitting, etc.

§ 46.6 *Destruction of records.* The destruction of the records permitted to be destroyed under the provisions of the regulations in this part may be per-

formed in any manner elected by the carrier concerned. Precautions should be taken, however, to macerate, or otherwise destroy the legibility of, records the content of which is forbidden by law to be divulged to unauthorized persons.

§ 46.7 *Premature destruction.* When any records are destroyed before the expiration of the prescribed period of retention, a certified statement listing, as far as may be determined, the records destroyed and describing the circumstances of accidental or other premature destruction shall be filed with the Commission within ninety (90) days from the date of discovery of such destruction. Discovery of loss of records is to be treated in the same manner as in the case of premature destruction.

§ 46.8 *Extension of period of retention of telegraph messages.* Whenever a person having a bona fide interest in the retention of original messages enumerated in Item 63 of § 46.9 shall communicate in writing with the carrier having custody of the same, prior to the date of actual destruction of such messages, identifying the messages to be retained with sufficient particularity as to make segregation thereof feasible (e. g., the date of the message, the point of origin, the point of destination, the names of sender and addressee) the carrier so notified shall retain such messages for a period of six months in addition to the time prescribed with respect thereto in this part of the Commission's rules and regulations: *Provided, however*, That such period of retention shall not be required to be extended more than once under this section.

LIST OF RECORDS

§ 46.9 *List of records.* The following list of records shows the periods of time that designated records shall be preserved and, by the indicator (M), the records that may be preserved on microfilm in lieu of the original records. When the indicator (M) is followed by a numeral, the original record may be destroyed only after the number of years indicated by the numeral. When the indicator (M-E) is used, a microfilm copy may be substituted for the original record for the period subsequent to the expiration, cancellation, superseding, or other condition shown in the column headed "Period to be retained."

Item No.	Description of records	Period to be retained
<i>Corporate and general</i>		
1	Corporate organization: a. Charter or certificate of incorporation and amendments thereto..... b. Legal documents in connection with mergers, consolidations, reorganizations, receiverships, and similar actions which affect the identity or organization of the company. c. By-laws.....	Permanently. Do. Permanently (M-10).
2	Corporate elections and stockholders' votes: a. Notices of meetings, proxy statements, and proxy solicitation material. b. Voting lists..... c. Proxies..... d. Ballots and tabulations of votes..... e. Judges' or inspectors' reports of results.....	10 years (M). 3 years (M). Do. Do. Do.
3	Minutes of meetings: a. Meetings of stockholders and directors..... b. Meetings of executive committee and other directors' committees..	Permanently. Do.
4	Securities issued or assumed: a. Applications to governmental bodies and authorizations therefrom to issue securities or assume debt issued by others. b. Registration statements and amendments thereto..... c. Bids and contracts for sale of securities, including underwriting agreements, except as provided in item 4-1-(4). d. Agreements with trustees of security issues.....	Permanently (M-10). Do. Do. Do.

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
Corporate and general—Continued					
	Securities issued or assumed—Continued			Corporate and general—Continued	
	e. Applications and authorizations for listings with securities exchange changes. (See item 106-a.)	Permanently, except optional after securities are redeemed, canceled, or otherwise retired. (M-10). Do.	6	Contracts and agreements: a. General service contracts and license agreements, such as for accounting, financial, engineering, legal, patent, and other general services. b. General contracts for the purchase, sale, or repair of material and supplies: (1) With affiliated companies. (2) With others.	Permanently (M-10). 25 years after expiration or cancellation (M-10). 6 years after expiration or cancellation (M-E). Permanently, except optional after securities are redeemed, canceled or otherwise retired. 6 years after superseding, expiration or cancellation (M-E). Permanently. 6 years after expiration or cancellation. 3 years after expiration or cancellation (M-E). Same periods as prescribed for the property to which they relate. 6 years after expiration or cancellation (M-E). Do. Optional (M). 6 years after expiration or cancellation (M-E). Same periods as the contracts or agreements to which they relate. Optional (M). Permanently. 10 years. Optional (M). Permanently. Do. 10 years, except as separately provided for in this List of Records. (See items 21-m, 45-b, and 69-a.) Permanently. 6 years after the related securities are sold, redeemed or otherwise disposed of or are written out of accounts as worthless. Until superseded or obsolete (M). 10 years after completion of proceedings (M-E). Optional (M). 10 years after completion of proceedings (M-E).
	f. Prospectuses and amendments thereto and sale offers to stockholders, employees, and others.	Do.		c. Agreements in connection with security issues. (See items 4-e and 4-f.)	
	g. Legal, accounting, or other formal opinions in connection with registration statements and prospectuses.	Do.		d. Contracts with other companies for the interchange of business, divisions of revenues, and interchange of employees' benefit obligations. (See item 72.)	
	h. Reports filed with governmental bodies in compliance with rules or laws governing issuance or sale of securities (reports of sales of securities application of proceeds, etc.).	Do.		e. Pension trust fund agreements.	
	i. Reports, summaries, or memoranda of subscriptions, sales, exchanges, conversions, or retirements of securities used as the basis of entries to accounts.	Do.		f. Leases and other agreements relating to rentals of property to or from others.	
	j. Capital stock and registered bond ledgers and stubs or copies of securities issued.	Permanently, except that separate records of a particular class of securities may be destroyed 10 years after all securities of that class are redeemed or otherwise retired (M-E). Do.		g. Contracts with labor unions or other organizations of employees relative to wage rates, hours, working conditions, and similar matters.	
	k. Security subscription registers; security transfer, correction, and exchange sheets or registers; and related records.	3 years after subscription or sale is completed (M-E). Do.		h. Contracts or agreements relating to construction, purchase or other acquisition or sale, removal or other disposal of telephone plant.	
	l. Supplemental records of subscriptions to securities: (1) Temporary or interim certificates or receipts and related transfer records. (2) Warrants, warrant assignments, transfer sheets, summaries, and agreements of indemnity; and cross-reference sheets in connection therewith. (3) Installment subscription ledgers. (4) Contracts with employees for their purchase of securities. (5) Subscription notices and requests for allotment. (6) Correspondence relating to issue of securities. (7) Other supplemental records of subscriptions to securities.	As provided under Item 25-b. Optional (M).		i. Other contracts and agreements except as provided for elsewhere in this List of Records. (See items 46, 60, and 71-1.)	
	m. Miscellaneous memoranda and other papers related to sale, transfer, or exchange of securities: (1) Documents supporting fiduciary transactions, such as copies of powers of attorney, wills, certificates of appointment, deeds of trust, resolutions by corporations, affidavits, and waivers by taxing authorities not returned to security holders. (2) Receipts for securities. (See item 106-1(1).) (3) Reference file of instructions to withhold transfer of certain securities. (4) Recapitulations of daily postings to security accounts of individuals and brokers. (5) Correspondence relating to transfer, exchange, or delivery of securities. (6) Other miscellaneous papers related to sale, transfer, or exchange of securities.	6 years after sale, transfer, or exchange is completed (M-E). Optional (M).	7	n. Other correspondence and memoranda relating to contracts and agreements. (See item 25-b.) NOTE: For contracts with customers, see item 60. Ledgers: a. General and subsidiary ledgers of accounts (exclusive of ledgers provided for elsewhere in this List of Records, such as for securities, customers, and material and supplies) and indexes thereto. b. Trial balance sheets of general and subsidiary ledgers of accounts. c. Detailed statements, analyses or memoranda concerning ledger accounts, maintained for auditing, informational or other administrative uses and not necessary to support ledgers or journal entries.	Permanently. Optional after withdrawal of instructions (M). Optional (M). 6 years after sale, transfer, or exchange is completed (M-E). Optional (M).
	n. Security holders' instructions and correspondence covering: (1) Payment of dividends to an individual other than the stockholder. (2) Other correspondence regarding dividend and interest payments. (3) Change of address notices.	Optional after entered on records (M). 6 years (M). Do.	8	Journal entries (including journals and journal vouchers): a. General, departmental, divisional and other forms of journal entries (including journals and journal vouchers) or other records from which entries are made to the ledgers of accounts. b. Summarization and distribution records supporting journal entries: (1) Affecting plant accounts. (2) Affecting maintenance, operating or other accounts.	Permanently. Do. 10 years, except as separately provided for in this List of Records. (See items 21-m, 45-b, and 69-a.) Permanently.
	o. Dividend notices and related circular letters to stockholders (1 copy of each in connection with each dividend declaration).	3 years after maturity or redemption of related securities, or after record becomes inactive (M-E). 3 years (M).		c. Memoranda, correspondence, or other papers which serve as the basis for journal entries and are necessary to support or explain journal entries, except as separately provided for in this List of Records.	
	p. Bond interest payments: (1) Controlling records of interest payments. (2) Daily and other periodic summaries and lists of bond interest payments. (3) Records of unpaid interest coupons.	3 years after maturity or redemption of related securities, or after record becomes inactive (M-E). 3 years (M). Until record is superseded or coupons are paid.	9	Records owned: Book, card, or other detailed records of securities owned, in treasury, or held by custodians.	
	q. Retired securities and evidences of debt: (1) Canceled stock certificates and fully-registered bonds. (2) Other canceled bonds, notes, paid interest coupons, trust deeds, mortgages, or other evidences of debt, and deeds of release. (3) Records of unrepresented retired securities.	Permanently when issued in exchange for property; otherwise, optional (M). Do.		Low department, litigation, and regulation: a. Legal opinions and advice furnished to officers or employees. b. Copy of pleadings, briefs, transcripts, orders, judgments and other court papers relating to judicial proceedings. c. Copy of information furnished from company's records pursuant to subpoena or other legal requirement. d. Copy of applications, complaints, protests, briefs, transcripts of testimony and hearings, reports, rulings, settlements and other legal papers in proceedings before regulatory commissions, taxing and other governmental authorities, except as separately provided for in this List of Records. (See items 1-b, 4-a, 4-b, 4-d, 10-b, 11-a, 11-c, and 14-b.)	
	r. Franchises and titles: a. Franchises, certificates, or other legal papers authorizing operations as communications common carrier. b. Deeds and other title papers.	Until record is superseded or securities are presented. Permanently. 6 years after property is disposed of unless surrendered to transferee.	10		

Item No.	Description of records	Period to be retained
<i>Corporate and general—Continued</i>		
11	Law department, litigation, and regulation—Continued a. Formal orders of regulatory commissions and similar authorities served on the company: (1) Orders of continuing effect. (2) Other orders. f. Reports to regulatory authorities. g. Patents and copyrights: a. Copy of patent applications, invention descriptions, memoranda and other data relating thereto. b. Agreements with employees for assignment of inventions. c. Copy of copyright applications, with specimen copies. d. Letters patent and copyright certificates. e. Licensing and royalty agreements, assignments, or grants. f. Insurance records: a. Insurance policies (including fidelity, surety, and similar bonds) together with supporting schedules, endorsements, riders, and other documents. b. Schedules, lists, or other detailed statements of property or risks covered by insurance, when not included in or attached to insurance policies. c. Schedules of risks covered by self-carried insurance reserves, giving description of property or character of risks covered. d. Detailed spread sheets or other summary or distribution records of insurance costs or accruals. e. Reports of losses covered by insurance (both commercial and self-carried), copies of claims against insurance companies and record of recoveries therefrom. f. Reports of minor losses due to insurable risks (e. g., from fires, thefts, and defalcations) not covered by insurance (either commercial or self-carried) and other reports of losses and damages sustained, not used as the basis for claims against others (see item 48-j-(1)) or for retirement of plant (see item 48-a-(4)). g. Inspectors' reports, recommendations, correspondence and memoranda regarding hazardous condition of property. h. Card or other memorandum records of insurance showing dates of expiration of policies, abstracts of coverage, premiums paid, recoveries, etc., and studies of insurance requirements.	Permanently (M). 25 years (M). As provided for item 103. Optional after expiration of patent (M). 6 years after expiration of agreement. Optional after expiration of copyright (M). 6 years after expiration of patent or copyright (M-E). Do. 6 years after expiration of policies (M-E). Do. 6 years after expiration of policies (M-E). Do. 6 years after expiration of policies (M-E). Affecting maintenance and operations only, 10 years; affecting plant, permanently (M-10). 6 years (M). 3 years (M). Optional (M). Do. Optional (M).
12	Accidents, damages, and related claims against the company: a. Reports of accidents, investigations, statements of employees or witnesses, claims, releases and similar papers relating to accident and damage claims or possible claims against the company on account of employees or other persons killed or injured, property of others damaged, errors in directory listings, traffic service errors, and other damage claims (exclusive of claims for overcharges provided for in item 83-d-(3)). (4) When such papers are necessary to the determination of the company's liability, if any, in such cases, or to substantiate payments to others, whether attached to vouchers or filed separately. (See item 21-k.) (5) When such papers are not so necessary. b. Book or card records, indexes or other memoranda of accident and damage claims or cases. c. Reports of returns, schedules, statements, claims, reports and similar documents, filed with taxing authorities, with supporting work papers and correspondence. d. Legal papers related to taxes. (See items 10-b and 10-d). e. Tax bills and receipts from taxing authorities, filed separately from vouchers. f. Detailed spread sheets or other summary or distribution records of tax payments or accruals. g. Book, card, or other memorandum records of tax assessments, payments or accruals and related data, by classes of taxes, accounting periods, location of property, etc. h. Records pertaining to collection or withholding of taxes from customers, employees, and others.	Permanently (M). 25 years (M). As provided for item 103. Optional after expiration of patent (M). 6 years after expiration of agreement. Optional after expiration of copyright (M). 6 years after expiration of patent or copyright (M-E). Do. 6 years after expiration of policies (M-E). Do. 6 years after expiration of policies (M-E). Do. 6 years after expiration of policies (M-E). Affecting maintenance and operations only, 10 years; affecting plant, permanently (M-10). 6 years (M). 3 years (M). Optional (M). Do. Optional (M).
13	Cash books: General, division, and subsidiary cash books used as general records of receipts, disbursements, and balances includible in ledger cash accounts. (See item 71-4.)	Permanently.
14	Records of deposits in banks and other depositories of cash and working funds: a. Bank deposit books, duplicate deposit slips, notices of deposits and of items charged back, and other advices or notices from depositories of individual credits and charges. b. Advices of individual deposits or remittances of funds from collection or other offices, when information on such advices is shown on other records. c. Check and draft registers, check stubs, copies of checks, and similar records of checks or drafts drawn on depositories. d. Statements from depositories listing receipts, disbursements, and balances on deposit. e. Bank reconciliation registers and reconciliation summaries or papers. f. Lists and other records of outstanding checks and drafts, issued and not presented. g. Correspondence with depositories relating to the opening of a bank account, general responsibilities of the depository and the company. h. Records and correspondence covering authorized signatures. i. Records and correspondence relating to stop payment orders. (1) If order is withdrawn. (2) If order is not withdrawn. j. Correspondence relating to the actual issuance of duplicate checks or drafts. k. Administrative records, reports or summaries of bank deposits, charges or balances, not used as a basis for entries to accounts or for reconciling accounts with depositories. l. Bank registers showing deposits, withdrawals, and balances with depositories. m. Other records of receipts, disbursements and balances of cash and working funds. n. Daily or other periodic lists, summaries, or reports of receipts, transfers, or disbursements of cash. o. Reports: Commercial and accounting records of collections of customers' and other accounts receivable are covered by Item 71. p. Transmittal forms or lists of items for payment: (1) Showing auditing approvals or other authorities for payment. (2) Used only to identify or receipt for items transmitted. q. Memoranda, statements, estimates, and reports of cash receipts, disbursements, or balances, used only for administrative purposes and not as a basis for entries to the accounts, cash books, or records subsidiary thereto. r. Records of working funds: (1) Ledgers, cards or other general records of advances to holders of working funds, showing charges, credits, and balances. (2) Requisitions, requests, or receipts for working fund advances. (3) Reports of expenditures from working funds or statements of working fund transactions from holders of working funds: (a) When used as the basis for vouchers or entries to accounts. (b) When not so used. (c) Drafts or cancelled checks and drafts (including voucher checks and drafts) and receipts for cash payments covering: a. Salaries and wages. b. Commissions. c. Other payments. d. Pension fund funds: (1) Trust agreements, with all amendments and correspondence with trustees, including or clarifying provisions thereof. (2) Trustee's annual or other periodic general report covering receipts, disbursements, investments and income of trust fund. (3) Reports of verification or audit of trustee's report. (4) Trustee's notices of individual trust fund receipts, disbursements and other transactions are reflected in Trustee's periodic general reports. (5) Book, card, or other memorandum records of trust fund transactions maintained for informational and verification purposes, not used as basis for entries to accounts. (6) Annual analysis of investments and operations of trust fund, prepared by or for the company. (7) Copy of report to Trustee covering changes in pension rolls. (8) Report to Trustee of pension disbursements made by company. (9) Miscellaneous correspondence with Trustee and memoranda and studies of pension trust fund activities for administrative purposes. (10) Actuarial computations or studies determining pension accruals and reports of results thereof.	1 year. Optional (M). 6 years. 6 years (M). 1 year (M). Optional after checks or drafts are presented or record is superseded (M). 6 years after bank account is closed (M-E). 6 years after authorization is cancelled (M-E). Optional (M). 6 years (M). As provided for related check or draft; see item 18 (M). Optional (M). 6 years. 3 years (M). Optional after funds have been returned or accounted for (M). As provided for item 20-b. Optional (M). 6 years (M). 2 years (M). 6 years (M). Permanently. 25 years. 6 years (M). Do. Do. 10 years. 3 years (M). Do. Optional (M). Permanently.
15	Records of deposits in banks and other depositories of cash and working funds: a. Bank deposit books, duplicate deposit slips, notices of deposits and of items charged back, and other advices or notices from depositories of individual credits and charges. b. Advices of individual deposits or remittances of funds from collection or other offices, when information on such advices is shown on other records. c. Check and draft registers, check stubs, copies of checks, and similar records of checks or drafts drawn on depositories. d. Statements from depositories listing receipts, disbursements, and balances on deposit. e. Bank reconciliation registers and reconciliation summaries or papers. f. Lists and other records of outstanding checks and drafts, issued and not presented. g. Correspondence with depositories relating to the opening of a bank account, general responsibilities of the depository and the company. h. Records and correspondence covering authorized signatures. i. Records and correspondence relating to stop payment orders. (1) If order is withdrawn. (2) If order is not withdrawn. j. Correspondence relating to the actual issuance of duplicate checks or drafts. k. Administrative records, reports or summaries of bank deposits, charges or balances, not used as a basis for entries to accounts or for reconciling accounts with depositories. l. Bank registers showing deposits, withdrawals, and balances with depositories. m. Other records of receipts, disbursements and balances of cash and working funds. n. Daily or other periodic lists, summaries, or reports of receipts, transfers, or disbursements of cash. o. Reports: Commercial and accounting records of collections of customers' and other accounts receivable are covered by Item 71. p. Transmittal forms or lists of items for payment: (1) Showing auditing approvals or other authorities for payment. (2) Used only to identify or receipt for items transmitted. q. Memoranda, statements, estimates, and reports of cash receipts, disbursements, or balances, used only for administrative purposes and not as a basis for entries to the accounts, cash books, or records subsidiary thereto. r. Records of working funds: (1) Ledgers, cards or other general records of advances to holders of working funds, showing charges, credits, and balances. (2) Requisitions, requests, or receipts for working fund advances. (3) Reports of expenditures from working funds or statements of working fund transactions from holders of working funds: (a) When used as the basis for vouchers or entries to accounts. (b) When not so used. (c) Drafts or cancelled checks and drafts (including voucher checks and drafts) and receipts for cash payments covering: a. Salaries and wages. b. Commissions. c. Other payments. d. Pension fund funds: (1) Trust agreements, with all amendments and correspondence with trustees, including or clarifying provisions thereof. (2) Trustee's annual or other periodic general report covering receipts, disbursements, investments and income of trust fund. (3) Reports of verification or audit of trustee's report. (4) Trustee's notices of individual trust fund receipts, disbursements and other transactions are reflected in Trustee's periodic general reports. (5) Book, card, or other memorandum records of trust fund transactions maintained for informational and verification purposes, not used as basis for entries to accounts. (6) Annual analysis of investments and operations of trust fund, prepared by or for the company. (7) Copy of report to Trustee covering changes in pension rolls. (8) Report to Trustee of pension disbursements made by company. (9) Miscellaneous correspondence with Trustee and memoranda and studies of pension trust fund activities for administrative purposes. (10) Actuarial computations or studies determining pension accruals and reports of results thereof.	1 year. Optional (M). 6 years. 6 years (M). 1 year (M). Optional after checks or drafts are presented or record is superseded (M). 6 years after bank account is closed (M-E). 6 years after authorization is cancelled (M-E). Optional (M). 6 years (M). As provided for related check or draft; see item 18 (M). Optional (M). 6 years. 3 years (M). Optional after funds have been returned or accounted for (M). As provided for item 20-b. Optional (M). 6 years (M). 2 years (M). 6 years (M). Permanently. 25 years. 6 years (M). Do. Do. 10 years. 3 years (M). Do. Optional (M). Permanently.

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
<i>Corporate and general—Continued</i>					
20	Vouchers: a. Registers of audited vouchers, voucher distribution registers and summaries of entries to accounts from vouchers; (1) Distribution summaries of miscellaneous minor departmental vouchers; (2) Voucher registers and general voucher distribution summaries; b. All vouchers including (a) bills, statements of account, reports of expenditures, requests for voucher, memoranda, or other papers serving as the basis for vouchers; (b) voucher lists and analyses sheets showing detailed accounting distribution of charges on individual vouchers; (c) copies of authorizations for payment or credit issued by audit office, including copies of vouchers and voucher checks; and (d) other supporting papers not separately provided for in this List of Records; related to: (1) Retirement of stock and long-term debt issued or assumed by the company; (2) Acquisition of stock or evidences of debt and other investments (including advances) in other telegraph companies; (3) Purchase or other acquisition of plant of other telegraph companies; (4) Purchase of real estate; (5) Other charges and credits affecting the plant accounts; (6) If required for determination of cost of plant retired; (7) If not so required and if all basic data shown on the vouchers and supporting papers affecting the plant accounts and property records have been transcribed to or summarized on the related summarization and distribution records (items 20-a, 20-b, and 20-c), actual cost and price records (items 36, 36-b, and 38-d), or other records (see items 37, 38, and 39) retained in accordance with this List of Records; (8) If not so transcribed or summarized; (9) Other transactions; c. Adjustment vouchers used to correct or adjust accounting classifications or other details of vouchers previously issued; d. Vouchers receivable and uncollectible vouchers used to adjust accounts receivable are covered by items 70-g and 70-h; e. Index records of vouchers approved and payments made; f. Lists of unmailed bills and memoranda or correspondence regarding changes in unmailed bills, not used as a basis for journal entries; g. Authorities for payment of specific vouchers or lists of vouchers; h. Journal vouchers used in lieu of journal entries for entries to ledgers of accounts referred to in item 7-a. i. Pay-roll records: a. Pay-roll sheets, registers, lists, ledgers, and other basic records of salaries and wages earned by and payments to individual employees for each pay-roll period; b. Pay-roll change reports or other approved applications or authorizations for establishing and changing salary and wage rates of individual employees and for making other changes in employees' service records; c. Applications for pay-roll changes not authorized; d. Employees' service records showing salary and wage rates, length of service, occupational titles, and similar data. (See item 22-b); e. Basic detailed reports or records of time or work paid for and of accounting classifications thereof, such as employees' time and work memoranda, and attendance reports; (1) Used to determine time paid for or salaries and wages earned; (2) If the basic information has been transcribed to other records and such other records are retained in accordance with periods specified herein for basic summaries and distributions; (3) If the basic information has not been transcribed to other records: (a) Affecting plant; (b) Affecting operations, maintenance, and other accounts; (c) Pay-roll deduction authorizations, deduction cards, and other records of withholdings or deductions from pay; (1) For income, social security, or other taxes; (2) For other allotments or deductions; f. Records of assignments, attachments, and garnishments of employees' salaries and wages, including notices of suits and releases and related correspondence. (See item 10-b); g. Addressograph plates, tabulating cards, or similar media used in preparing and summarizing pay-roll records, when the data thereon are also shown on pay-roll sheets, pay-roll change reports, employees' service records, pay-roll summaries, or other records listed herein.	25 years. Permanently. Permanently (M-25). Do. Do. 6 years after plant is retired (M-E). Do. 10 years. Permanently (M-25). As provided for related voucher previously issued. 10 years. Optional (M). Do. Optional after preparation of record of unpaid items and of outstanding checks or drafts (M). Permanently. 10 years (M). 3 years (M). Optional (M). 3 years after termination of employment (M). Optional (M). 3 years (M). Optional (M). Permanently (M-25). 10 years (M). Such period as may be prescribed by related governmental requirements; otherwise, optional (M). 3 years (M). Optional (M).	22	Pay-roll records—Continued i. Paid checks and drafts, receipts for wages paid in cash, and other evidences of payments for salaries and wages; j. Cards, lists, or other records of earnings for individual employees; (1) Used in computing pensions or annuities; (2) Used for current pay-roll record purposes; k. Authorizations, case records, special pay rolls, or other records of sickness and accident disability and other benefits to employees and their beneficiaries. (See item 13-a and 22-1); l. Pension or annuity pay rolls, reports of changes therein and related authorizations; m. Control and recapitulation forms, summaries, and distribution records; (1) Used to determine pay-roll amounts and deductions; (2) Used to summarize or distribute time or pay-roll amounts to accounts, estimates, jobs, accounting areas, etc. (3) Summaries and statements of pay-roll costs and related work sheets used in developing costs by labor groups or classes and rates for distributing cost of labor; n. Records of authorized occupational titles or positions and related authorized pay schedules or rates and wage and salary guides; o. Memoranda, studies, statements, summaries and reports of pay-roll data used for administrative purposes only; p. Personnel records: a. Applications for employment, reports of medical examinations, photographs, reports of employment office activities, and other miscellaneous records pertaining to hiring and transfer of employees; b. Personnel records of individual employees, not used as the basis for pay-roll or other payments, such as departmental copies of service letters and testing (21-d) records of departmental employment, education and training, proficiency, attitude and merit rating records, and reports of professional, attendance or absence, medical and health history, authorized leaves of absence and other treatment under health, hospital, welfare, benefit and pension plans. (See items 21-k and 21-l); c. Studies, reports, and correspondence relating to administration of plans or practices for employees' pensions, disability benefits, death benefits and other employees' welfare activities. (See items 19-1, 21-k, and 21-l); d. Studies, correspondence, and administrative reports covering wage practices. (See item 21-n); e. Studies, analyses, reports, summaries, memoranda, and correspondence relating to force requirements, employment, training, and other administration of employees and working conditions, including accident prevention, attendance, health, educational and recreational activities and thrift plans; f. Contracts with labor unions or other organizations of employees relative to wage rates, hours, working conditions and similar matters; g. Organization charts, records, and notices of changes; h. Employees' identification cards and photographs, building passes, and records thereof; i. Reports of accidents, investigations, claims, releases, and similar papers relating to claims or possible claims against the carrier on account of injuries to or death of employees; j. Circulars, handbooks, training material, films, and other instructions (including amendments and supplements thereto) to employees and agents pertaining to: a. Accounting classifications: (1) Basic or general instructions, rulings, and interpretations; (2) Detailed instructions to employees; (3) Establishment and discontinuance of subaccounts, clearing, or temporary accounts established at the option of the company; b. Other general instructions, including those pertaining to accounting, statistical, engineering, construction, maintenance, operating, management, and other methods and practices; c. Transmittal and check lists of current instructions; d. Drafts and memoranda relating to preparation and issuance of instructions, except as provided in item 25-b-(1); e. Training programs, schedules, and material; f. Instructions covering performance of specific work operations; g. Accountants' and auditors' reports and verifications of records; a. Certificates and reports of annual examinations and audits by public accountants; b. Other reports of audits, examinations, and verifications.	6 years (M). 6 years after termination of employment (M). Do. 10 years (M-3). 6 years. Affecting maintenance and operations only, 10 years; affecting plant, permanently. Do. 6 years after supersedeure or cancellation. Optional (M). Do. Do. Do. 6 years after supersedeure or cancellation. 6 years after supersedeure or cancellation (M-E). 6 years after expiration or cancellation (M-E). Optional (M). Do. As provided for item 13-a. Permanently for major broad changes in accounting practices; others, 6 years after expiration or supersedeure (M-E). 6 years after expiration or supersedeure (M-E). Do. Optional after expiration or supersedeure except as provided for item 27-a (M). Optional (M). Do. Do. Permanently. 3 years (M).

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
Telegraph plant—Continued					
46	Records of accounting for plant construction, maintenance, retirement, purchases, and sales (see also items 7, 8, 20, 21-e, 21-m, 56-a, and 57)—Continued h. Original cost and reserve studies, work sheets, correspondence, and memoranda related to accounting for sales of plant. i. Records pertaining to reclassifications of plant accounts, to conform with prescribed systems of accounts or for other purposes, including supporting papers showing the bases for such reclassifications. j. Contracts, agreements, permits, licenses, and rights: a. Contracts or agreements relating to construction, purchase or other acquisition of sale, removal or other disposal of telegraph plant. b. Contracts or agreements for joint ownership or joint use of telegraph plant. c. Contracts or agreements relating to maintenance of telegraph plant, house service, delivery of material and supplies, and servicing or hire of motor vehicles or other work equipment. d. Permits, privileges, or rights: (1) Permits, privileges, licenses (other than as provided for item 48-e) or rights of a temporary nature from municipal or other governmental authorities or others, copies of related applications and correspondence. (2) Continuing and limited-term permits or other authorizations from governmental authorities or others. (3) Copies of permits or granted applications for the use of facilities by others, together with notices of cancellation. (4) Applications from others for the use of facilities not granted and copies of applications to others for such use not granted. e. Leases or other agreements covering rentals of property to or from others. f. Bids, offers, correspondence, and memoranda relating to contracts or agreements to or contract proposals: (1) When necessary for a proper or complete understanding of a resulting contract or agreement. (See item 6-m.) (2) When not so necessary. g. Summaries, reports, studies, and analyses of plant results, performance, personnel, working practices, or plant conditions, etc., prepared for administrative purposes only, together with related supporting and working papers not separately provided for in this List of Records. This includes such records related to (a) plant troubles, by major classes of plant or particular plant items or kinds of trouble, (b) force requirements and results, (c) accident prevention, (d) types or ages of motor vehicles or other equipment, (e) performance of various types of items of equipment or other plant, (f) wages and other costs, and (g) other matters or conditions affecting plant work operations or results. (See items 22, 23, 101, 104, and 106-b.) Note: This item does not include engineering studies covered by items 42, 43-b, and 43-c nor any records used as a basis for entries to accounts or other records required to be retained for a period specified herein. Miscellaneous records related to plant administration: a. Departmental personnel records and reports of employment office activities (see items 22-a and 22-b), including employees' identification cards, building passes and records thereof (see item 22-b). b. Receipts or records pertaining to delivery to employees of articles to be returned or accounted for. (See item 106-f.) c. Licenses for operation of motor vehicles and records thereof. d. Training programs, schedules, and material. (See item 23-e.) e. Administrative routines, circulars, handbooks or other general instructions to employees. f. Instructions covering performance of specific work operations. (See item 23-f.) g. Work programs, progress reports, etc., prepared solely for informational or supervisory purposes. (See item 106-b.) h. Organizational charts, conference programs and related material. (See item 106-k.) i. Reports of insurance inspections and related recommendations. (See item 12-e.) j. Reports and other records of investigation of damage to or loss of property of the carrier or of others and records of watch and guard and detective services: (1) Used as a basis for claims against others. (2) Related to claims or possible claims against the carrier. (3) Other records. k. Records related to compliance with governmental directives, authorizations, and orders, not elsewhere provided for (see item 106-n).	10 years. Permanently. Same periods as prescribed for the records of property to which they relate. Do. 6 years after termination of contract or agreement. 1 year after expiration or cancellation of permit, etc. (M-E). 3 years after expiration, cancellation, or abandonment (M-E). 1 year after expiration or cancellation (M-E). Optional (M). 6 years after expiration or cancellation (M-E). Same period as for the related contract or agreement. Optional (M). Do. Do. Optional after articles have been returned or accounted for (M). Optional (M). As provided for item 23. Optional (M). Do. Do. 3 years (M). 6 years after settlement or abandonment of claim. (M-E). 6 years after settlement or rejection of related claims, or after date of papers if no claim is presented (M-E). Optional (M). 6 years, or such further period as may be required by related governmental regulations or authorities (M).			
47	Records of accounting for plant construction, maintenance, retirement, purchases, and sales (see also items 7, 8, 20, 21-e, 21-m, 56-a, and 57)—Continued h. Original cost and reserve studies, work sheets, correspondence, and memoranda related to accounting for sales of plant. i. Records pertaining to reclassifications of plant accounts, to conform with prescribed systems of accounts or for other purposes, including supporting papers showing the bases for such reclassifications. j. Contracts, agreements, permits, licenses, and rights: a. Contracts or agreements relating to construction, purchase or other acquisition of sale, removal or other disposal of telegraph plant. b. Contracts or agreements for joint ownership or joint use of telegraph plant. c. Contracts or agreements relating to maintenance of telegraph plant, house service, delivery of material and supplies, and servicing or hire of motor vehicles or other work equipment. d. Permits, privileges, or rights: (1) Permits, privileges, licenses (other than as provided for item 48-e) or rights of a temporary nature from municipal or other governmental authorities or others, copies of related applications and correspondence. (2) Continuing and limited-term permits or other authorizations from governmental authorities or others. (3) Copies of permits or granted applications for the use of facilities by others, together with notices of cancellation. (4) Applications from others for the use of facilities not granted and copies of applications to others for such use not granted. e. Leases or other agreements covering rentals of property to or from others. f. Bids, offers, correspondence, and memoranda relating to contracts or agreements to or contract proposals: (1) When necessary for a proper or complete understanding of a resulting contract or agreement. (See item 6-m.) (2) When not so necessary. g. Summaries, reports, studies, and analyses of plant results, performance, personnel, working practices, or plant conditions, etc., prepared for administrative purposes only, together with related supporting and working papers not separately provided for in this List of Records. This includes such records related to (a) plant troubles, by major classes of plant or particular plant items or kinds of trouble, (b) force requirements and results, (c) accident prevention, (d) types or ages of motor vehicles or other equipment, (e) performance of various types of items of equipment or other plant, (f) wages and other costs, and (g) other matters or conditions affecting plant work operations or results. (See items 22, 23, 101, 104, and 106-b.) Note: This item does not include engineering studies covered by items 42, 43-b, and 43-c nor any records used as a basis for entries to accounts or other records required to be retained for a period specified herein. Miscellaneous records related to plant administration: a. Departmental personnel records and reports of employment office activities (see items 22-a and 22-b), including employees' identification cards, building passes and records thereof (see item 22-b). b. Receipts or records pertaining to delivery to employees of articles to be returned or accounted for. (See item 106-f.) c. Licenses for operation of motor vehicles and records thereof. d. Training programs, schedules, and material. (See item 23-e.) e. Administrative routines, circulars, handbooks or other general instructions to employees. f. Instructions covering performance of specific work operations. (See item 23-f.) g. Work programs, progress reports, etc., prepared solely for informational or supervisory purposes. (See item 106-b.) h. Organizational charts, conference programs and related material. (See item 106-k.) i. Reports of insurance inspections and related recommendations. (See item 12-e.) j. Reports and other records of investigation of damage to or loss of property of the carrier or of others and records of watch and guard and detective services: (1) Used as a basis for claims against others. (2) Related to claims or possible claims against the carrier. (3) Other records. k. Records related to compliance with governmental directives, authorizations, and orders, not elsewhere provided for (see item 106-n).	Optional (M). 1 year after record is superseded or is retired from active file (M-E). Optional (M). Optional (M). 1 year and work is completed (M). 1 year and see such as is required by FCC's Rules for radio operations (M). As provided for item 21-e (M). Optional (M). When required for determination of cost of plant retired, 6 years after plant is retired; otherwise, 3 years (M-E). As provided for item 20-b. As provided for items 21-e, 56-a, and 45-a-(4). 3 years (M). 3 years after report is superseded (M-E). 6 years (M). Do. 3 years (M). As provided for item 20-a. 10 years. Permanently. Optional (M). Same period as related summary or distribution records. Permanently. 6 years (M). 6 years. Same period as the reports to which they relate. Permanently (M-25).			
48	Records of accounting for plant construction, maintenance, retirement, purchases, and sales (see also items 7, 8, 20, 21-e, 21-m, 56-a, and 57)—Continued h. Original cost and reserve studies, work sheets, correspondence, and memoranda related to accounting for sales of plant. i. Records pertaining to reclassifications of plant accounts, to conform with prescribed systems of accounts or for other purposes, including supporting papers showing the bases for such reclassifications. j. Contracts, agreements, permits, licenses, and rights: a. Contracts or agreements relating to construction, purchase or other acquisition of sale, removal or other disposal of telegraph plant. b. Contracts or agreements for joint ownership or joint use of telegraph plant. c. Contracts or agreements relating to maintenance of telegraph plant, house service, delivery of material and supplies, and servicing or hire of motor vehicles or other work equipment. d. Permits, privileges, or rights: (1) Permits, privileges, licenses (other than as provided for item 48-e) or rights of a temporary nature from municipal or other governmental authorities or others, copies of related applications and correspondence. (2) Continuing and limited-term permits or other authorizations from governmental authorities or others. (3) Copies of permits or granted applications for the use of facilities by others, together with notices of cancellation. (4) Applications from others for the use of facilities not granted and copies of applications to others for such use not granted. e. Leases or other agreements covering rentals of property to or from others. f. Bids, offers, correspondence, and memoranda relating to contracts or agreements to or contract proposals: (1) When necessary for a proper or complete understanding of a resulting contract or agreement. (See item 6-m.) (2) When not so necessary. g. Summaries, reports, studies, and analyses of plant results, performance, personnel, working practices, or plant conditions, etc., prepared for administrative purposes only, together with related supporting and working papers not separately provided for in this List of Records. This includes such records related to (a) plant troubles, by major classes of plant or particular plant items or kinds of trouble, (b) force requirements and results, (c) accident prevention, (d) types or ages of motor vehicles or other equipment, (e) performance of various types of items of equipment or other plant, (f) wages and other costs, and (g) other matters or conditions affecting plant work operations or results. (See items 22, 23, 101, 104, and 106-b.) Note: This item does not include engineering studies covered by items 42, 43-b, and 43-c nor any records used as a basis for entries to accounts or other records required to be retained for a period specified herein. Miscellaneous records related to plant administration: a. Departmental personnel records and reports of employment office activities (see items 22-a and 22-b), including employees' identification cards, building passes and records thereof (see item 22-b). b. Receipts or records pertaining to delivery to employees of articles to be returned or accounted for. (See item 106-f.) c. Licenses for operation of motor vehicles and records thereof. d. Training programs, schedules, and material. (See item 23-e.) e. Administrative routines, circulars, handbooks or other general instructions to employees. f. Instructions covering performance of specific work operations. (See item 23-f.) g. Work programs, progress reports, etc., prepared solely for informational or supervisory purposes. (See item 106-b.) h. Organizational charts, conference programs and related material. (See item 106-k.) i. Reports of insurance inspections and related recommendations. (See item 12-e.) j. Reports and other records of investigation of damage to or loss of property of the carrier or of others and records of watch and guard and detective services: (1) Used as a basis for claims against others. (2) Related to claims or possible claims against the carrier. (3) Other records. k. Records related to compliance with governmental directives, authorizations, and orders, not elsewhere provided for (see item 106-n).	Optional (M). 1 year after record is superseded or is retired from active file (M-E). Optional (M). Optional (M). 1 year and work is completed (M). 1 year and see such as is required by FCC's Rules for radio operations (M). As provided for item 21-e (M). Optional (M). When required for determination of cost of plant retired, 6 years after plant is retired; otherwise, 3 years (M-E). As provided for item 20-b. As provided for items 21-e, 56-a, and 45-a-(4). 3 years (M). 3 years after report is superseded (M-E). 6 years (M). Do. 3 years (M). As provided for item 20-a. 10 years. Permanently. Optional (M). Same period as related summary or distribution records. Permanently. 6 years (M). 6 years. Same period as the reports to which they relate. Permanently (M-25).			

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
Telegraph plant—Continued					
49	Miscellaneous records related to plant administration—Continued i. Miscellaneous records, studies, or reports not otherwise provided for and used for administrative purposes only. j. Depreciation and amortization: a. Schedules or lists of authorized depreciation or amortization rates. b. Studies, memoranda, and work sheets supporting computations of depreciation and amortization rates or expenses, including development of estimated service lives and salvage values. c. Mortality records: (1) Continuing record of age distribution of mortality items in service and retired. (2) Underlying summaries of mortality items added and retired. d. Analyses, ledgers, or other historical records of the depreciation and amortization reserve accounts, including segregations of the reserves according to classes of plant or other subdivisions and segregations of charges and credits according to source or nature of entry. e. Reserve studies in connection with accounting for: (1) Purchases. (2) Sales. f. Theoretical reserve studies, not covered by item 49-e, including any related work sheets or other records prepared in connection therewith. g. Records prepared to support depreciation expense claimed in income tax returns.	Optional (M). Permanently (M-25). Do. Permanently. 10 years. Permanently. Permanently (M-25). 10 years. Until superseded or obsolete (M). Such period as may be prescribed by related governmental requirements; otherwise, 6 years after settlement of tax liability. Permanently (M-25). 10 years. 10 years after completion of any formal proceedings; otherwise, 10 years (M-E). Permanently. Until superseded or obsolete (M). Until completion of second following study. Until superseded or obsolete (M).	Material and supplies—Continued Purchases, sales, and repairs (including conversion or remanufacture)—Continued j. Detailed invoices and credits and supporting records (or a true copy thereof) for material and supplies purchased or sold: (1) If required for determination of cost of plant retired. (2) If the basic data thereon affecting the accounts or property records have not been transcribed to or summarized on other records retained in accordance with this List of Records. (See items 45-b, 46-b, 47, and 48-1.) k. Suppliers, price catalogs or price lists, lists of standard items or specifications of material and supplies, and price lists for repairs (one file copy). (1) Pertaining to principal supplier. (2) Others. l. Price records or memoranda and indexes of purchases, exclusive of freight and express bills covering charges on material and supplies in transit. m. Copies of bills rendered or returned material notices or lists of material and supplies delivered to suppliers or others for inspection, repair, comparison, storage, or other disposition, and requisitions or other records of such material and supplies returned therefrom. (1) Used as a basis for entries to accounts or property records, when all basic data on these detailed records are transcribed to or summarized on other records retained in accordance with this List of Records. (See item 57.) (2) When required for determination of cost of plant retired. n. Copies of shipment or returned material notices or lists used in tracing for credit or acknowledgment of receipt or for other auditing or administrative purposes. o. Authorizations for sale of scrap, surplus or other material and supplies, and reports of disposition thereof. p. Invoices or bills and related salvage credits for repairs of material and supplies. q. Records of inspections and tests of material and supplies received. r. Studies related to development, standardization, and nomenclature of new or improved items of material and supplies. s. Material and supplies issued (for disbursed) and recovered. a. Detailed basic or underlying reports or records of material and supplies issued, used, junked, lost, stolen or otherwise disbursed, recovered, returned to stock, or transferred between locations or accounts, showing quantities or costs and used as the basis for entries to accounting summaries or property records: (1) When all basic data thereon affecting the accounts or property records have been transcribed to or summarized on other records retained in accordance with this List of Records. (See item 57.) (2) When required for determination of cost of plant retired. b. Lists or other records of unit prices or unit costs for material and supplies issued or recovered, including studies, memoranda, special summaries or other records prepared in connection with the development of such unit prices or unit costs: (1) Affecting maintenance and operations only. (2) Affecting plant. c. Reports, summaries, studies or other records used for administrative purposes only and not as a basis for entries to accounts or other records required to be retained for a period specified herein, including lists of articles required by field forces, records of forms used and on hand, receipts for or other records of material loaned from supply stocks, and delivery instructions or reports. Summary and distribution sheets, etc. (See item 45-b), used to summarize or distribute quantities or costs involved in accounting for purchases, issues or disbursements, recoveries, returns, repairs, sales, transfers, or other transactions related to material and supplies. Inventories or other periodic inventories of material and supplies used as a basis for adjustments of accounts, with record of related adjustments. b. Stock cards, inventory cards, and other detailed records pertaining to the taking of inventories, summarized in records covered by item 48-a. c. Minor or special inventories of particular items and related detailed records, reports, or memoranda, not used as a basis for adjustments of accounts. d. Material ledgers or continuing inventory records showing quantities or costs involved in transactions affecting the balance in the account for material and supplies, when such records are used: (1) As a basis for developing unit prices for material issued or recovered. (2) As a basis for adjustments of accounts resulting from inventories.		
50	Inventories, appraisals, and separations: a. Inventories and appraisals or work papers, showing development of purchase or sale price of plant, or used as a basis for accounting therefor. (1) Purchases. (2) Sales. b. Other inventories, appraisals, or valuations of the company's plant, including all work papers, reports, studies, memoranda, and other underlying records prepared in connection therewith: (1) When results have been furnished to regulatory or other governmental authorities, but not used as a basis for entries to accounts or property records. (2) When results have been used as a basis for entries to plant accounts or property records. (3) Used for other purposes. c. Separation studies of property, revenues, or expenses, including underlying summaries, reports, or work papers prepared therefor: (1) Used for divisions of revenues or other settlement with transportation and other carriers. (2) Used for other purposes.	Optional (M). Permanently (M-25). 10 years. 10 years after completion of any formal proceedings; otherwise, 10 years (M-E). Permanently. Until superseded or obsolete (M). Until completion of second following study. Until superseded or obsolete (M).	Material and supplies Purchases, sales, and repairs (including conversion or remanufacture): a. General contracts with affiliated companies for the purchase, sale or repair of material and supplies. b. Other contracts or agreements for purchase, sale, or repair of material and supplies. (See item 46-c.) c. Bids, offers, copies of acceptances, correspondence, and memoranda relating to contracts, agreements or proposals for purchase, sale, or repair of material and supplies: (1) When necessary for a proper or complete understanding of a selling contract or agreement. (2) When not so necessary. d. Studies, forecasts, and advices of probable future requirements for material and supplies. e. Advices, requisitions or memoranda from storekeepers or others used as basis for preparing purchase orders, requisitions on suppliers, or orders for sale or other disposition of material and supplies. f. Copies of purchase orders or requisitions on suppliers used as record of unfilled orders or for other administrative purposes. g. Acknowledgments of receipt of orders, notices of shipments, packing slips, copies of shipping instructions and bills of lading, lists or reports of unfilled orders or requisitions and records used in tracing orders or shipments. h. Shipping or delivery receipts or acknowledgments, including copies of purchase orders or requisitions used therefor, or other records of receipt of material and supplies shown on invoices or bills. i. Detailed invoices of material and supplies shown on invoices or bills. Credit memoranda covering scrap or material and supplies purchased and returned for credit, together with any related lists, indexes, registers and records of claims or adjustments, when all basic data thereon affecting the accounts or property records are transcribed to or summarized on other records retained in accordance with this List of Records. (See items 55-e and 57.)		
55	Purchases, sales, and repairs (including conversion or remanufacture): a. General contracts with affiliated companies for the purchase, sale or repair of material and supplies. b. Other contracts or agreements for purchase, sale, or repair of material and supplies. (See item 46-c.) c. Bids, offers, copies of acceptances, correspondence, and memoranda relating to contracts, agreements or proposals for purchase, sale, or repair of material and supplies: (1) When necessary for a proper or complete understanding of a selling contract or agreement. (2) When not so necessary. d. Studies, forecasts, and advices of probable future requirements for material and supplies. e. Advices, requisitions or memoranda from storekeepers or others used as basis for preparing purchase orders, requisitions on suppliers, or orders for sale or other disposition of material and supplies. f. Copies of purchase orders or requisitions on suppliers used as record of unfilled orders or for other administrative purposes. g. Acknowledgments of receipt of orders, notices of shipments, packing slips, copies of shipping instructions and bills of lading, lists or reports of unfilled orders or requisitions and records used in tracing orders or shipments. h. Shipping or delivery receipts or acknowledgments, including copies of purchase orders or requisitions used therefor, or other records of receipt of material and supplies shown on invoices or bills. i. Detailed invoices of material and supplies shown on invoices or bills. Credit memoranda covering scrap or material and supplies purchased and returned for credit, together with any related lists, indexes, registers and records of claims or adjustments, when all basic data thereon affecting the accounts or property records are transcribed to or summarized on other records retained in accordance with this List of Records. (See items 55-e and 57.)	Optional (M). Permanently (M-25). 10 years. Permanently (M-25). 10 years. Until superseded or obsolete (M). Same period as for the related contract or agreement. Optional (M). Until superseded or obsolete (M). Optional (M). Do. Do. 6 years (M). 6 years, except as provided for item 55-e (M).	Material and supplies Purchases, sales, and repairs (including conversion or remanufacture)—Continued j. Detailed invoices and credits and supporting records (or a true copy thereof) for material and supplies purchased or sold: (1) If required for determination of cost of plant retired. (2) If the basic data thereon affecting the accounts or property records have not been transcribed to or summarized on other records retained in accordance with this List of Records. (See items 45-b, 46-b, 47, and 48-1.) k. Suppliers, price catalogs or price lists, lists of standard items or specifications of material and supplies, and price lists for repairs (one file copy). (1) Pertaining to principal supplier. (2) Others. l. Price records or memoranda and indexes of purchases, exclusive of freight and express bills covering charges on material and supplies in transit. m. Copies of bills rendered or returned material notices or lists of material and supplies delivered to suppliers or others for inspection, repair, comparison, storage, or other disposition, and requisitions or other records of such material and supplies returned therefrom. (1) Used as a basis for entries to accounts or property records, when all basic data on these detailed records are transcribed to or summarized on other records retained in accordance with this List of Records. (See item 57.) (2) When required for determination of cost of plant retired. n. Copies of shipment or returned material notices or lists used in tracing for credit or acknowledgment of receipt or for other auditing or administrative purposes. o. Authorizations for sale of scrap, surplus or other material and supplies, and reports of disposition thereof. p. Invoices or bills and related salvage credits for repairs of material and supplies. q. Records of inspections and tests of material and supplies received. r. Studies related to development, standardization, and nomenclature of new or improved items of material and supplies. s. Material and supplies issued (for disbursed) and recovered. a. Detailed basic or underlying reports or records of material and supplies issued, used, junked, lost, stolen or otherwise disbursed, recovered, returned to stock, or transferred between locations or accounts, showing quantities or costs and used as the basis for entries to accounting summaries or property records: (1) When all basic data thereon affecting the accounts or property records have been transcribed to or summarized on other records retained in accordance with this List of Records. (See item 57.) (2) When required for determination of cost of plant retired. b. Lists or other records of unit prices or unit costs for material and supplies issued or recovered, including studies, memoranda, special summaries or other records prepared in connection with the development of such unit prices or unit costs: (1) Affecting maintenance and operations only. (2) Affecting plant. c. Reports, summaries, studies or other records used for administrative purposes only and not as a basis for entries to accounts or other records required to be retained for a period specified herein, including lists of articles required by field forces, records of forms used and on hand, receipts for or other records of material loaned from supply stocks, and delivery instructions or reports. Summary and distribution sheets, etc. (See item 45-b), used to summarize or distribute quantities or costs involved in accounting for purchases, issues or disbursements, recoveries, returns, repairs, sales, transfers, or other transactions related to material and supplies. Inventories or other periodic inventories of material and supplies used as a basis for adjustments of accounts, with record of related adjustments. b. Stock cards, inventory cards, and other detailed records pertaining to the taking of inventories, summarized in records covered by item 48-a. c. Minor or special inventories of particular items and related detailed records, reports, or memoranda, not used as a basis for adjustments of accounts. d. Material ledgers or continuing inventory records showing quantities or costs involved in transactions affecting the balance in the account for material and supplies, when such records are used: (1) As a basis for developing unit prices for material issued or recovered. (2) As a basis for adjustments of accounts resulting from inventories.		

Item No.	Description of records	Period to be retained
	Material and supplies—Continued.	
	Inventories and stock records—Continued. e. Stock cards, ledger sheets, or other records of material and supplies in custody of suppliers or agents.	6 years after record is superseded or custodianship is terminated (M-E). Optional (M).
	f. Stock or inventory records of stock on hand at particular locations not used as a basis for entries to accounts.	
	Operations	
60	Contracts with subscribers and customers. Contracts for private wires, communication systems, time service, use of equipment, stock and other market reports and other services; also applications utilized as such.	1 year following termination (M-E). Optional (M).
61	Records of customers. Service records of customers showing name, address, telephone number, office call and details of services maintained for general reference.	3 years (M).
62	Service orders and other billing authorizations: a. Completed service orders and similar records, notices of completion of service orders and other authorizations used as basis for billing to customers and miscellaneous debitors or for entries to records used in such billing. (See items 70-a and 70-d.) b. Other copies of service orders and similar records.....	As provided for item 44-a.
63	Telegrams and other message records. (See particularly section 46.8 of this part.) a. Telegrams (other than ship messages) and cablegrams. (1) All classes of original filed telegraph and cable messages transmitted at published tariff rates, including transcripts of messages received over telephone for transmission. (2) Tissue or carbon copies made at destination offices of messages covered by 63-a (1) above. (3) Original filed messages transmitted for transportation carriers in compliance with terms of contracts; also tissue or carbon copies of such messages made at destination offices. (4) Service messages relating to public messages, including tissue or copy or record of advice to customer, as necessary, to complete an individual telegraphic transaction. (5) Original filed messages transmitted free or at reduced rates for employees and others; also tissue or carbon copies of such messages made at destination offices. (6) Relay messages, not including those made at connecting line points for transfer to other telegraph communication carriers. (7) Message tape and similar media for transmitting messages: (a) When used as an original message (e. g., tape from a tape-printer-connected customer). (b) When used as relay copy (i. e., when the original message is otherwise retained). (8) Stubs of, or carbon copies of, messages received over telephone.... b. Ship messages: (1) All classes of original filed ship messages (meaning messages transmitted by maritime mobile stations), transmitted at public tariff rates; also tissue or carbon copies of such messages made at coast and ship destination stations. (2) Service messages relating to public messages; also tissue or carbon copies of such messages made at coast and ship destination stations. (3) Original filed messages transmitted for ship owners in compliance with terms of contracts (masters' service messages); also tissue or carbon copies of such messages made at coast and ship destination stations. (4) Original filed messages transmitted free or at reduced rates other than those covered by item (3) above; also tissue or carbon copies of such messages made at coast and ship destination stations. Note: The furnishing of original filed messages to the United States Government in support of legal proceedings shall not be considered a violation of the rules and regulations. c. Telephone toll tickets: (1) Telephone toll tickets, and statements forming basis of charges to subscribers and others; lost-call tickets, messenger-service tickets, appointment tickets, and tickets for emergency calls, official calls, and test calls. (2) Records of receipt of toll tickets, toll statement stubs, toll ticket memoranda, guide cards, and reports and memoranda relative to investigations and correction of tickets. (3) Statements and summaries of measured service tickets and register readings. (4) Measured service tickets, local message tickets, and register reading tickets or statements if summarized in records covered by item (4) above. (5) Tickets and statements for check error purposes.	6 months (M). Optional (M). Do. 1 year (M). Optional (M). Do. 6 months (M). Optional (M). Do. Same period as for other original message of similar classes (M). Optional (M). Do. 6 months (M). Do. 15 months (M). 3 years (M). 6 months (M). Optional (M). Do. 1 year (M). Optional (M). Do.
	Operations—Continued	
64	Tariffs, rate schedules, and other rate authorities: a. Official (or general) file copy of all tariffs, rate sheets or schedules, or other rate authorities covering services or facilities furnished together with maps, tables, charts, etc., referred to therein or made a part thereof. b. Copies of tariffs, rate sheets or schedules, or other rate authorities maintained at business offices, agencies, etc., for public information or reference. c. Other copies of tariffs, rate sheets, maps, etc., used in computing or checking charges shown on service orders or other billing authorizations and tables or other records used in computing or quoting message charges, taxes, fractional monthly service charges, etc. d. Requests and receipts for copies of tariffs, rate sheets, etc., inquiries and copies of replies relative to rates. e. Copy of each concurrence in tariffs or other rate authorities filed with regulatory bodies. f. Working papers, rate studies, and memoranda in connection with the compilation of tariffs, rate sheets, etc., or rate proposals published or filed with regulatory authorities. g. Rate studies, cost memoranda, rate proposals and quotations relating to specially engineered or assembled facilities or services for which the special charges involved are not specifically stated in tariffs or other rate authorities. h. Rate studies, correspondence and memoranda related thereto not covered by items 64-1 and 64-g. i. Franks and message passes and reduced rate coupons: a. Copies of orders on printer; records of receipts and distribution of franks, etc., and disposition of unused stocks. b. Records of franks, etc., issued and requests and copies of requests therefor. c. Records of franks received from other companies. d. Used franks, message passes and coupons if complete record of issue is maintained as provided in item 65-b. e. Unexpired, surrendered, or partially used franks, etc.; void, unused, and unissued franks, etc. f. Reports and records of franks, etc., collected or honored and of free messages handled. g. Reports of reduced rate messages. h. Telegraph, cable, and wireless identification cards: a. Records of identification cards issued. b. Returned and withdrawn identification cards. c. Unused and unissued identification cards. d. Transportation company passes: a. Requests, and copies of requests, for passes. b. Record of passes received from carriers. c. Record of pass identification forms issued. d. Record of use made of passes. e. Receiving and delivering telegrams and cablegrams: a. Receivers' record of messages filed. b. Message pick-up and delivery records. c. Operators' delivery sheets. d. Operators' number sheets. e. Copies of advice to senders regarding nondelivery or reversal of charges and of prepaid reply. f. Telegraph and cable office reports: a. Records and reports of receipts, expenses, and balances summarized by the offices into monthly or other periodic reports similar in character and detail: (1) Utilized individually as a direct source of entry to subsidiary or general ledger and required controls. (2) Utilized as direct source of entry to subsidiary or general ledger and required controls. (3) When further summarized by office groups: a. Summaries of receipts of telegraph and cable office reports: (1) Utilized as direct source of entry to subsidiary or general ledger and required controls. (2) Utilized for preparation of journals and for administrative or other statistical purposes. (3) When further summarized by office groups: a. Summaries of receipts of telegraph and cable office reports: (1) Utilized as direct source of entry to subsidiary or general ledger and required controls. (2) Utilized for preparation of journals and for administrative or other statistical purposes and receipts: (a) Summaries of receipts and receipts. (b) Summaries of disbursements, i. e., voucher distributions. c. Schedules supporting reports showing details essential to accounting analysis and for administration purposes. d. Record of adjustments of errors with manager, agents, cashiers and other employees for revenue expense and other items. Customer's billing and other accounts receivable records: a. Record of service and equipment or other continuing record of services or facilities furnished, used as a basis for bills to customers. b. Telephone tickets, original telegrams or other detailed records bearing charge information.	6 years after expiration or cancellation of item (See also item 10-e) (M-E). Until superseded or canceled. Optional (M). Do. 6 years after cancellation or supersede (M-E). 3 years after rate becomes effective, if superseded or withdrawn, optional (M). As provided for item 25-b. 6 years (M-3). Do. Do. 6 months. 1 year after current year. 3 years. Do. 3 years. 1 year after current year. Do. 3 years. Do. Do. Do. 6 months. Do. Optional. 6 months. Permanently (M-10). 6 years (M-3). 3 years (M). Permanently (M-10). 6 years (M-3). Permanently (M-10). Optional (M). 3 years (M). For active accounts, 3 years after record is superseded; for discontinued accounts, 1 year (M). 6 months (M).

PROPOSED RULE MAKING

Item No.	Description of records	Period to be retained	Item No.	Description of records	Period to be retained
Operations—Continued					
	Customers' billing and other accounts receivable records—Continued			Messenger department delivery and pick-up records—Continued	
	c. Record of individual accounts with customers and collectors, including ledgers or records used instead thereof such as bill stubs or copies.	For active accounts, 3 years after record is superseded; for discontinued accounts, 1 year (M).		c. Renting lists	Optional. 6 months (M).
	d. Records of accounts with miscellaneous debtors other than customers including bill ledgers or copies of bills.	Do.		e. Special and periodic cost load force and production reports used for administration.	Optional (M).
	e. Record or transfer of bills and summaries of distribution of credits through agents.			f. Zoning charts including service charge schedules	6 years after expiration or cancellation (M-E).
	(1) If used direct to general ledger.				As separately provided for herein.
	(2) If used in preparing journals.				6 months (M).
	f. Record of installment payments and balances with individual employees related to company fines and loans.	Permanently (M-10).			Optional (M).
	g. Detailed record of adjustments of customers' or patrons' accounts including authorizations for refunds, adjustment vouchers, or other authorizations to correct charges due to errors, service failures, etc.	Do.			As separately provided for herein.
	h. Uncollectible vouchers or other authorizations for writing off customers' accounts and other records and reports pertaining thereto.	6 years (M).			6 years after termination (M-E).
	i. Work papers used in development of estimates of uncollectible charges.	5 years after estimate is superseded (M-E).			3 years.
	j. Copy of complaint incident to suing on uncollected account.	10 years after completion of proceeding (M-E).			
71	Collection reports and records:		75	Stock and commercial news including ticker service:	
	a. Bill or memorandum stubs representing payments by customers or others. Itemized lists, collection notices, and other detailed reports or records of collections of revenues, accounts receivable, and miscellaneous cash receipts (including receipts from restaurants and vending machines).			a. Applications, service orders and other similar records, billing authorizations and reporting schedules as provided in items 45-a, 60, 61, 62, 69-c and 70-a.	6 months (M).
	(1) Used as a basis for entries to accounting records and summarized or detailed in daily or other periodic cash reports. (See item 17-a.)	1 year (M).		b. Start and stop orders	Optional (M).
	(2) Used as a basis for administrative records or collection treatment of individual accounts.	Optional (M).		c. Bills relative to special services	As separately provided for herein.
	b. Remittance or transmittal lists or forms (including adding machine tapes) covering records included under item 71-a-(1), used as a basis for entries to accounting records or summaries. (See items 24-c and 25-d.)	3 years (M).		d. Traffic agent schedules and other rate authorities as provided in items 45-a, 60, 61, 62, 69-c and 70-a.	6 months (M).
	c. Inter-office memoranda of individual items collected, together with required accounting controls.	1 year.		e. Contracts with commodity and other exchanges and other news sources (as provided in 6-1)	6 years after termination (M-E).
	d. Records of individual accounts used only in administration of collections, including records of credit ratings, classifications or investigations. (See item 70-c.)	Optional (M).		f. Summary statements covering settlements with news sources	6 years (M-3).
	e. Records of credit cards issued.	Optional (M).		g. Reporting schedules and other detail if summarized as provided in item 75-1	3 years.
	f. Statements or reports of age or status of uncollected accounts.	1 year after expiration or cancellation (M-E).		Time services:	
	g. Correspondence and memoranda relative to collection of revenues or accounts receivable, including requests for explanation of items on bills or status of account and memoranda of investigations thereof, correspondence covering routine or special collection treatment, forwarding addresses for bills, and similar matters.	1 year (M).		a. Service order copies, billing authorization and reporting schedules.	As provided for items 61, 62 and 69-c.
	(1) When necessary for a proper or complete understanding of another record.			b. Catalogs and other rental lists and advices.	3 years (M).
	(2) When not so necessary.			c. Contracts with clock manufacturer (as provided in item 6-1)	6 years after termination (M-E).
	h. Agreements covering payments of uncollected final accounts.	1 year (M).		d. Summary settlements with clock manufacturer pertaining to division of collections and expense.	Do.
				e. Reporting schedules and other detail if summarized as provided in item 76-d.	3 years (M).
				f. Money orders related to telegraph, cable or wireless transfer of funds:	Do.
				a. Applications for transfer	6 years (M).
				b. Draft, check and payee's receipt or other similar evidence of completion of transaction. (See item 18-c.)	6 months (M).
				c. Money order messages, including services, billing memos, advices to senders and copies of notices to payees.	1 year after expiration (M-E).
				d. Cipher sheets, official copies	Optional (M).
				e. Record of excess orders	3 years.
				f. Record of settlements with banks, other agents and foreign administration.	6 years (M-E).
				g. Summaries and detailed records incident to and resulting from authentication of payment of individual transactions.	Permanently (M-10).
				h. Record of unpaid orders	6 years (M-3).
				a. Detailed lists of orders sold	Do.
				b. Drafts or checks issued in exchange for funds deposited by customer.	Do.
				c. Summaries and detailed records resulting from establishing completeness of individual transactions.	6 months.
				d. Statements, summaries and other detail prepared by offices.	6 years after termination (M-E).
				e. Express orders and travelers' cheques: (See item 6-1.)	1 year.
				a. Contract with American Express	Such period as may be prescribed by related governmental requirements; otherwise, 6 years after settlement of tax liability (M-E).
				b. Accounting summaries with Express Company.	Do.
				c. Statements, summaries and memoranda pertaining to settlements with Express Company if summarized in records covered by 79-b.	Such period as may be prescribed by related governmental requirements; otherwise, optional (M).
				Taxes collected from customers and others:	
				a. Copies of tax returns and supporting statements filed with taxing authorities.	Do.
				b. Special summaries of taxes and related data, used in compiling lists for other purposes.	6 years (M).
				c. Lists for other purposes: Detailed records of taxes billed to or collected from individual customers or others.	Do.
				NOTE: This item does not include message tickets, individual account records, or other records separately provided for in this List of Records.	
				d. Certificates or other special records of tax exemptions	Optional (M).
				e. Advertising and information:	Do.
				a. Copies of advertisements or other records of advertising in newspapers, magazines, and other publications, showing name of publication, nature of advertisement, etc.	6 years (M).
				b. Other public information material, including press releases, booklets, radio programs, films, etc.	Do.
				c. Correspondence and memoranda related to requests from public for information material, historical and scientific data, and explanations of company's policies or practices. (See item 64-d.)	Optional (M).
				d. File copies and circulation records of publications issued by the company and other distribution lists for release of information material.	Do.
72	Settlements with other communication carriers:		76	Time services:	
	a. Records pertaining to settlement of revenues and other charges with other communication carriers.	6 years (M-3).		a. Service order copies, billing authorization and reporting schedules.	As provided for items 61, 62 and 69-c.
	b. Statements, summaries and memoranda pertaining to the record of messages interchanged if summarized in records covered by 72-a.	6 months (M).		b. Catalogs and other rental lists and advices.	3 years (M).
73	Settlements with transportation carriers:			c. Contracts with clock manufacturer (as provided in item 6-1)	6 years after termination (M-E).
	a. Monthly, annual or other periodical settlement with transportation companies made in accordance with contracts or agreements.	6 years (M-3).		d. Summary settlements with clock manufacturer pertaining to division of collections and expense.	Do.
	b. Summary reports of receipts and expenditures at offices on lines of transportation companies.	Do.		e. Reporting schedules and other detail if summarized as provided in item 76-d.	3 years (M).
74	Messenger department delivery and pick-up records:			f. Money orders related to telegraph, cable or wireless transfer of funds:	Do.
	a. Call box directories.	Optional.		a. Applications for transfer	6 years (M).
	b. Special handling instructions including after hour deliveries and registered code addresses.	Do.		b. Draft, check and payee's receipt or other similar evidence of completion of transaction. (See item 18-c.)	6 months (M).

Item No.	Description of records	Period to be retained
	Operations—Continued	
	Advertising and information—Continued	
	e. Administrative studies or other records of material and services or advertising media used in operation of advertising and information services.	Optional (M).
	f. Studies, surveys, analyses, correspondence and memoranda used in developing material for advertising and information purposes.	Do.
	g. File copies of publications, films, and other information material issued to employees.	Do.
	h. Contracts and agreements in connection with advertising and information services.	6 years after expiration or cancellation (M-E).
	i. Copyright applications and certificates.	As provided for items 11-c and 11-d.
82	Administrative summaries, plans, work programs, estimates, charts and similar records of results, performance, personnel, and working practices or conditions, etc., used for administrative purposes only and not as a basis for entries to accounts or other records required to be retained for a period specified in this List of Records, together with related supporting and working papers not separately provided for herein. This includes such records related to volume of business, operating loads and other work volumes, production, and quality, force requirements and adjustment, work schedules and assignments, service observation and results, employment, training, organization, working conditions, salary and wage schedules, accident prevention, and other administration of personnel and work performance; studies of new or improved methods; and departmental administrative expense reports, analyses, budgetary studies and estimates. (See items 22, 23, 47, 48, 83-j, 100 to 104, and 106-b.)	Optional (M).
83	Miscellaneous operating records:	
	a. Logs and records maintained of circuit failures, substandard equipment and circuit functioning line insulation and other tests, customers' trouble calls, measurements and other data regarding carrier pair, varicaplex, subscriber, and other circuit and equipment interruptions and failures. Service, tests, observations and other monitoring records and reports. Authorized wire and circuit assignments.	Optional, except as provided in item 44-g (M).
	b. Cable ship and depot logs of ship operations, cable interruptions, breaks, repairs and electrical measurements.	Optional (M).
	c. Maps, drawings, reports, and other records of subscriber plant facilities, trunks, circuits, or other plant available for assignment or assigned. (See item 44-c.)	Until record is superseded or is retired from active file (M).
	d. Tickets, correspondence, memoranda of directory errors, or other records of complaints or criticisms from customers, together with records of investigation and disposition thereof, related to:	As provided for item 13-a.
	(1) Claims of damages due to service fault.	1 year (M).
	(2) Claims of overcharges, whether or not resulting in refunds or adjustments of accounts receivable. (See item 70-g.)	Optional (M).
	(3) Not involving claims of damages or overcharges.	Do.
	e. Copies of purchase orders, requisitions, transfer reports, returned material notices, sale or junk orders, or other records of furniture and other office or work equipment, material and supplies, stationery, or office supplies used only in administration of such property or activities, not as a basis for entries to accounts or property records. (See items 85, 86, and 88.)	Optional (M).
	f. Work programs, schedules, and assignments.	Optional, except as covered by item 21-e (M).
	g. Basic detailed reports or records of time or work paid for.	As provided for item 21-e.
	h. Memoranda of work done and time spent thereon, made by employees preliminary to and for use in preparing detailed reports or other records used as the basis for entries to accounts. (See item 45-a-(2).)	Optional (M).
	i. Photographs, drawings, maps, or similar records of buildings or other plant or equipment, floor plans or office layouts, used for informational or administrative purposes only and not as property records covered by item 39.	Do.
	j. Underlying statistical records of messages, telephones, and other data relative to volume of business or work performed, used as the basis for preparation of administrative summaries, reports, studies, etc., covered by items 82 or 101.	Do.
	k. Confidential routes, official copies.	Do.
	l. Reports and records of watch and surveillance service including investigations of stolen property, robberies and frauds.	Permanently.
	m. Minutes of Employees' Benefit Committee meetings.	As provided for item 48-j.
	n. Records of operations other than communications common carrier operations.	Permanently. For the same periods as provided herein for similar records.
	Reports, statistics and miscellaneous	
100	Monthly, annual, and other periodic administrative, financial, and statistical reports or statements regularly prepared to show the results of operations for the period and the financial condition of the company, for the information of officials. This includes the regular balance sheet and income statements, reports of operating revenues, expenses, and changes in plant, depreciable reserve, and surplus accounts, and general statistical reports of (a) quantities of plant owned or operated, (b) business handled, and (c) employees and wages.	Optional (M).
101	a. Annual reports.	25 years.
	b. Monthly and other periodic reports.	6 years.
	Miscellaneous statistical, narrative, and descriptive reports, statements, analyses, studies, charts, summaries, or estimates, not provided for elsewhere in this List of Records, prepared for use by the company's officials or other employees for administrative or informational purposes and not used as a basis for entries to accounts. (See items 82, 83-j, and 104.)	Optional (M).
102	Reports to stockholders:	
	a. Annual reports or statements.	Permanently.
	b. Quarterly and other statements of earnings, etc. (See item 4-o).	6 years (M).
	c. Stockholders' acknowledgments of receipt of reports and requests for copies of reports.	Optional (M).
	d. Other correspondence with stockholders relative to reports and statements furnished stockholders.	As provided for items 4-o and 25-b.
103	Reports to Federal and state regulatory commissions and other governmental authorities. (See notes A and B below.)	
	a. Annual report to regulatory commissions presenting general financial, operating, and statistical data.	Permanently.
	b. Other regular financial, operating and statistical reports to regulatory commissions.	3 years after current year (M).
	c. Special, occasional, and other reports:	
	(1) Reports of sales of securities and application of proceeds.	Permanently, except optional after securities are redeemed, cancelled, or otherwise retired (M-10).
	(2) Other reports filed in compliance with rules or laws regulating issuance or sale of securities.	Do.
	(3) Reports of plant extensions, purchases, sales, and other plant changes. (See item 43-a.)	10 years.
	(4) Reports to taxing authorities.	Such period as may be prescribed by related governmental requirements; otherwise, 6 years after settlement of tax liability (M-E).
	(5) Other reports to governmental authorities not otherwise provided for. (See item 10-1.)	3 years (M).
	NOTE A: Item 103 does not include administrative, financial, and statistical reports prepared for use by the company's officials, when copies are furnished to governmental authorities. Such reports are covered by items 100 to 102, inclusive.	
	NOTE B: These reports shall be retained for any further period required by related statutes or regulations issued by the governmental authorities to which the reports are made.	
104	Supporting and working papers for reports:	
	a. Supporting and working papers, exclusive of records provided for elsewhere in this List of Records. This item includes such statements, summaries, work sheets, cross-references to sources, instructions for preparation of reports and other papers prepared in connection with the compilation of reports covered by items 100 to 103 as are necessary to trace or verify such compilation.	Same period as the reports to which they relate.
	b. Preliminary drafts, proofs, memoranda and other papers prepared in connection with compilation of reports which are not necessary to trace or verify such compilation.	Optional (M).
105	Tabulating cards and similar media (see item 28) used in compiling or assembling data or reports when the source records from which the data are obtained and the resulting printed sheets or other summary records are retained as provided in this List of Records. (See also item 28.)	Do.
106	Other records:	
	a. Reports to securities exchanges, filed in accordance with regulations of such exchanges.	Permanently (M-10).
	b. Departmental records and reports prepared for administrative purposes only (including such records of quantities and quality of work performed), not used as a basis for entries to accounts or other records required to be retained for a period specified herein.	Optional (M).

Item No.	Description of records	Period to be retained
<i>Reports, statistics and miscellaneous—Continued</i>		
Other records—Continued		
c.	Delegations of authority by officers or other employees, signature cards, and records thereof except as provided for item 16-h.	1 year after authorization is superseded or cancelled (M). Optional after records have been returned (M).
d.	Memoranda of and receipts for records temporarily removed from files.	Optional (M).
e.	Receipts and other records pertaining to registered, insured, and other mail, express, postage, stationery, and other office supplies; not used as a basis for entries to accounts.	Optional after articles have been returned or accounted for (M).
f.	Receipts and records pertaining to delivery to employees of articles to be returned or accounted for, such as badges, keys, tool kits, uniforms, instructions, safety paper, signature plates, etc.	Until superseded or discontinued (M). Optional (M).
g.	Indexes of records not otherwise provided for herein.	
h.	Work programs, work and progress reports, or other statements of work planned or performed, prepared solely for informational or supervisory purposes and not used as a basis for entries to accounts or other records required to be retained for a period specified herein.	
i.	Records of securities held for employees:	
(1)	Receipts for securities delivered to employees, except as covered by item 106-m-(1).	6 years (M).
(2)	Other records.	Optional (M). Do.
j.	Records related to employees' contributions to welfare, charity and civic organizations, not provided for elsewhere.	Do.
k.	Programs, papers, notes and related material pertaining to meetings or conferences of administrative officials and other employees.	Do.
l.	Tickler or reminder cards or notes.	Do.
m.	Records as issuing agent for United States Savings bonds:	
(1)	Duplicate bond stubs or other record maintained in lieu thereof (including receipts for bonds delivered).	1 year (see note) (M).
(2)	Applications and pay-roll deduction authorization records.	Optional (see note) (M). Do.
(3)	Other records.	6 years (see note) (M).
n.	Directives, authorizations, and orders from governmental authorities and related records resulting therefrom, not otherwise provided for in this List of Records. (Note particularly items 4-a, 4-h, 5-a, 10-b, 10-d, 10-e, 11-d, 103, 104, and 105.)	
Note: These records shall be retained for any further period required by related statutes or regulations issued by the governmental authorities involved.		

[F. R. Doc. 49-8265; Filed, Oct. 12, 1949; 11:17 a. m.]

DEPARTMENT OF THE TREASURY

Bureau of Internal Revenue

[26 CFR, Part 7]

TAXATION PURSUANT TO TREATIES

INCOME TAX CONVENTION BETWEEN U. S. AND KINGDOM OF THE NETHERLANDS

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 62 of the Internal Revenue Code (53 Stat. 32; 26 U. S. C. 62) and Article XXVI of the income tax convention between the United States and the Kingdom of the Netherlands, proclaimed (with reservations thereto) by the President of the United States on December 8, 1948.

[SEAL]

FRED S. MARTIN,
Acting Commissioner
of Internal Revenue.

PART 7—TAXATION PURSUANT TO TREATIES

SUBPART—NETHERLANDS, BEGINNING
JANUARY 1, 1947

- Sec.
7.850 Introductory.
7.851 Applicable provisions of the Internal Revenue Code.

- Sec.
7.852 Scope of the convention.
7.853 Definitions.
7.854 Scope of convention with respect to determination of "industrial or commercial profits."
7.855 Control of a domestic enterprise by a Netherlands enterprise.
7.856 Income from operation of ships and aircraft.
7.857 Exemption from, or reduction in rate of, United States tax in the case of dividends, interest and royalties.
7.858 Government wages, salaries, pensions and similar remuneration.
7.859 Pensions and life annuities.
7.860 Compensation for labor or personal services.
7.861 Dividends and interest paid by a Netherlands corporation.
7.862 Visiting professors or teachers.
7.863 Remittances.
7.864 Natural resource royalties and real property rentals.
7.865 Credit against United States tax liability for income tax paid to the Netherlands.
7.866 Adjustment of tax liability of non-resident aliens who are residents of the Netherlands and Netherlands corporations.
7.867 Reciprocal administrative assistance.
7.868 Claims in cases of double taxation.

§ 7.850 *Introductory.* The income tax convention between the United States and the Kingdom of the Netherlands, signed April 29, 1948, proclaimed (with reservations thereto) by the President of the United States on December 8, 1948, and effective on January 1, 1947 (hereinafter referred to as the convention), provides as follows:

ARTICLE I

- (1) The taxes which are the subject of the present Convention are:
(a) In the case of the United States: the Federal income taxes.
(b) In the case of the Netherlands:

(1) for the application of the provisions of the Convention other than Article XX, the income tax and the Netherlands taxes credited against it, the corporation tax and the Netherlands taxes credited against it, the property tax, and the tax on fees of directors and managers of corporations; and
(2) for the application of Articles XX to XXVIII, inclusive (except Articles XXIV and XXVII), the capital accretions tax and the extraordinary capital tax.

(1) The present Convention shall apply also to any other taxes of a substantially similar character imposed by either Contracting State subsequently to the date of signature of the present Convention, or, by the government of any overseas part of the Kingdom (in the case of the Netherlands) or overseas territory (in the case of the United States) to which the present Convention is extended under Article XXVII, subsequently to the date of the notification of extension.

(3) In the event of appreciable changes in the fiscal laws of either of the Contracting States the competent authorities of the Contracting States will consult together.

ARTICLE II

(1) In the present Convention, unless the context otherwise requires:

(a) The term "United States" means the United States of America, and when used in a geographical sense means the States, the Territories of Alaska and of Hawaii, and the District of Columbia.

(b) The term "Netherlands" means only the Kingdom of the Netherlands in Europe.

(c) The term "United States corporation" means a corporation, association or other organization or juridical entity created in the United States or under the laws of the United States or of any State or territory of the United States.

(d) The term "Netherlands corporation" means a corporation, association or other organization or juridical entity created in the Netherlands or under the laws of the Netherlands.

(e) The terms "corporation of one Contracting State" and "corporation of the other Contracting State" mean a United States corporation or a Netherlands corporation, as the context requires.

(f) The term "United States enterprise" means an industrial or commercial enterprise or undertaking carried on in the United States by a citizen or resident of the United States or by a United States corporation.

(g) The term "Netherlands enterprise" means an industrial or commercial enterprise or undertaking carried on in the Netherlands by a citizen or resident of the Netherlands or by a Netherlands corporation.

(h) The terms "enterprise of one of the Contracting States" and "enterprise of the other Contracting State" mean a United States enterprise or a Netherlands enterprise, as the context requires.

(i) The term "permanent establishment," when used with respect to an enterprise of one of the Contracting States, means a branch, factory, or other fixed place of business, but does not include an agency unless the agent has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of such enterprise or has a stock of merchandise from which he regularly fills orders on behalf of such enterprise. An enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business dealings in such other Contracting State through a *bona fide* commission agent, broker or custodian acting in the ordinary course of his business as such. The fact that an enterprise of one of the Contracting States maintains in the other Contracting State a fixed place of business exclusively for the purchase of goods or merchandise shall not of itself constitute such fixed place

of business a permanent establishment of such enterprise. When a corporation of one Contracting State has a subsidiary corporation which is a corporation of the other Contracting State or which is engaged in trade or business in such other Contracting State, such subsidiary corporation shall not, merely because of that fact, be deemed to be a permanent establishment of its parent corporation.

(j) The term "competent authority" or "competent authorities" means, in the case of the United States, the Commissioner of Internal Revenue or his duly authorized representative; in the case of the Netherlands, the Directeur-Generaal der Belastingen or his duly authorized representative; and, in the case of any part or territory to which provisions of the present Convention are extended under Article XXVII, the competent authority for the administration in such part or territory of the taxes to which such provisions apply.

(2) In the application of the provisions of the present Convention by either of the Contracting States, any term which is not defined in the present Convention shall, unless the context otherwise requires, have the meaning which that term has under the laws of such Contracting State relating to the taxes which are the subject of the present Convention.

ARTICLE III

(1) An enterprise of one of the Contracting States shall not be subject to taxation by the other Contracting State in respect of its industrial or commercial profits unless it is engaged in trade or business in the other Contracting State through a permanent establishment situated therein. If it is so engaged the other Contracting State may impose the tax only upon the income of such enterprise from sources within such other State.

(2) Where an enterprise of one of the Contracting States is engaged in trade or business in the other Contracting State through a permanent establishment situated therein, there shall be attributed to such permanent establishment the industrial or commercial profits which it might be expected to derive if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the enterprise of which it is a permanent establishment, and the profits so attributed shall, subject to the law of such other Contracting State, be deemed to be income from sources within such other Contracting State.

(3) In determining the industrial or commercial profits from sources within one of the Contracting States of an enterprise of the other Contracting State, no profits shall be deemed to arise from the mere purchase of goods or merchandise within the former Contracting State by such enterprise.

(4) The competent authorities of the Contracting States may lay down rules by agreement for the apportionment of industrial or commercial profits.

ARTICLE IV

Where an enterprise of one of the Contracting States, by reason of its participation in the management, control or capital of an enterprise of the other Contracting State, makes with or imposes on the latter enterprise, in their commercial or financial relations, conditions different from those which would be made with an independent enterprise, any profits which would, but for those conditions, have accrued to one of the enterprises, may be included in the taxable profits of that enterprise.

ARTICLE V

Income of whatever nature derived from real property and interest from mortgages secured by real property shall be taxable

only in the Contracting State in which the real property is situated.

ARTICLE VI

(1) Income which an enterprise of one of the Contracting States derives from the operation of ships or aircraft registered in that State shall be taxable only in the State in which such ships or aircraft are registered. Income derived by such an enterprise from the operation of ships or aircraft not so registered shall be subject to the provisions of Article III.

(2) The present Convention shall be deemed to suspend, for the duration of the Convention as between the parties to which this Article applies, the provisions of the arrangement effected by exchange of notes between the United States and the Netherlands, dated September 13, October 19, and November 27, 1926, providing for relief from double income taxation on shipping profits.

(3) In the event that the application of this Article is extended to the Netherlands Indies in accordance with Article XXVII, the exchange of notes between the United States and the Netherlands, dated March 8, May 23, and November 8, 1939, relating to the applications to the Netherlands Indies of the arrangement referred to in paragraph (2) of this Article, shall be deemed to be suspended for so long as this Article continues to be applicable with respect to the Netherlands Indies.

ARTICLE VII

(1) The rate of United States tax on dividends derived from a United States corporation by a resident or corporation of the Netherlands not engaged in trade or business in the United States through a permanent establishment shall not exceed 15 percent: *Provided*, That such rate of tax shall not exceed 5 percent if such Netherlands corporation controls, directly or indirectly, at least 95 percent of the entire voting power in the corporation paying the dividend, and not more than 25 percent of the gross income of such paying corporation is derived from interest and dividends, other than interest and dividends from its own subsidiary corporation. Such reduction of the rate to 5 percent shall not apply if the relationship of the two corporations has been arranged or is maintained primarily with the intention of securing such reduced rate.

(2) Dividends derived from sources within the Netherlands by a resident or corporation of the United States not engaged in trade or business in the Netherlands through a permanent establishment shall be exempt from Netherlands tax.

(3) Either of the Contracting States may terminate this Article, by giving written notice of termination to the other Contracting State through diplomatic channels, on or before the thirtieth day of June in any year after the first year for which the present Convention becomes effective. In such event this Article shall cease to be effective on and after the first day of January in the year next following that in which such notice is given.

ARTICLE VIII

(1) Interest (on bonds, securities, notes, debentures, or on any other form of indebtedness), other than interest referred to in Article V of the present Convention, derived from sources within the United States by a resident or corporation of the Netherlands not engaged in trade or business in the United States through a permanent establishment, shall be exempt from United States tax; but such exemption shall not apply to such interest paid by a United States corporation to a Netherlands corporation controlling, directly or indirectly, more than 50 percent of the entire voting power in the paying corporation.

(2) Interest (on bonds, securities, notes, debentures, or on any other form of indebtedness), other than interest referred to in Article V of the present Convention, derived from sources within the Netherlands by a resident or corporation of the United States not engaged in trade or business in the Netherlands through a permanent establishment, shall be exempt from Netherlands tax; but such exemption shall not apply to such interest paid by a Netherlands corporation to a United States corporation controlling, directly or indirectly, more than 50 percent of the entire voting power in the paying corporation.

ARTICLE IX

Royalties for the right to use copyrights, patents, designs, secret processes and formulae, trade marks, and other analogous property, and royalties, including rentals, in respect of motion picture films or for the use of industrial, commercial or scientific equipment, derived from sources within one of the Contracting States by a resident or corporation of the other Contracting State not engaged in trade or business in the former State through a permanent establishment, shall be exempt from tax imposed by the former State.

ARTICLE X

A resident or corporation of one of the Contracting States, deriving from sources within the other Contracting State royalties in respect of the operation of mines, quarries, or natural resources, or rentals from real property, may elect for any taxable year to be subject to the tax of such other Contracting State, on a net basis, as if such resident or corporation were engaged in trade or business within such other Contracting State through a permanent establishment therein during such taxable year.

ARTICLE XI

A resident or corporation of one of the Contracting States not engaged in trade or business in the other Contracting State shall be exempt from tax in such other State on gains from the sale or exchange of capital assets. [This Article deleted by reservation; see President's Proclamation, hereinafter.]

ARTICLE XII

Dividends and interest paid by a Netherlands corporation shall be exempt from United States tax except where the recipient is a citizen, resident, or corporation of the United States.

ARTICLE XIII

A Netherlands corporation shall be exempt from United States tax on its accumulated or undistributed earnings, profits, income or surplus if it can prove to the satisfaction of the competent authorities of the United States that individuals who are residents of the Netherlands (other than citizens of the United States) control, directly or indirectly, throughout the last half of the taxable year, more than 50 percent of the entire voting power in such corporation. [This Article deleted by reservation; see President's Proclamation, hereinafter.]

ARTICLE XIV

(1) The United States income tax liability for any taxable year beginning prior to January 1, 1936, of any individual (other than a citizen of the United States) resident in the Netherlands, or of any Netherlands corporation, remaining unpaid on the effective date of the present Convention, may be adjusted on a basis satisfactory to the United States Commissioner of Internal Revenue: *Provided* that the amount to be paid in settlement of such liability shall not exceed the amount of the liability which would have been determined if

(a) the United States Revenue Act of 1936 (except in the case of a Netherlands corporation in which more than 50 percent of the entire voting power was controlled, directly or indirectly, throughout the latter half of the taxable year, by citizens or residents of the United States), and

(b) Articles XII and XIII of the present Convention, had been in effect for such year. If the taxpayer was not, within the meaning of such Revenue Act, engaged in trade or business in the United States and had no office or place of business therein during the taxable year, the amount of interest and penalties shall not exceed 50 percent of the amount of the tax with respect to which such interest and penalties have been computed.

(2) The United States income tax unpaid on the effective date of the present Convention for any taxable year beginning after December 31, 1935, and prior to the effective date of the present Convention in the case of an individual (other than a citizen of the United States) resident of the Netherlands, or in the case of any Netherlands corporation, shall be determined as if the provisions of Articles XII and XIII of the present Convention had been in effect for such taxable year.

(3) The provisions of paragraph (1) of this Article shall not apply

(a) unless the taxpayer files with the Commissioner of Internal Revenue within a period of two years following the effective date of the present Convention a request that such tax liability be so adjusted and furnishes such information as the Commissioner may require; or

(b) in any case in which the Commissioner is satisfied that any deficiency in tax is due to fraud with intent to evade the tax.

[This Article modified by reservation; see President's Proclamation, hereinafter.]

ARTICLE XV

(1) Wages, salaries and similar compensation, and pensions and life annuities, paid either directly by, or from funds created by, one of the Contracting States or the political subdivisions or territories thereof to individuals in the other Contracting State shall be exempt from taxation in the latter State.

(2) Private pensions and life annuities derived from within one of the Contracting States and paid to individuals in the other Contracting State shall be exempt from taxation in the former State.

(3) The term "pensions" as used in this Article means periodic payments made in consideration for services rendered or by way of compensation for injuries received.

(4) The term "life annuities" as used in this Article means a stated sum payable periodically at stated times during life, or during a specified number of years, under an obligation to make the payments in return for adequate and full consideration in money or money's worth.

ARTICLE XVI

(1) A resident of the Netherlands shall be exempt from United States tax upon compensation for labor or personal services performed within the United States if he is temporarily present within the United States for a period or periods not exceeding a total of one hundred eighty-three days during the taxable year and his compensation is received for labor or personal services performed as a worker or employee of, or under contract with, a resident of the Netherlands, or a Netherlands corporation, carrying the actual burden of the remuneration.

(2) The provisions of paragraph (1) of this Article shall apply, *mutatis mutandis*, to a resident of the United States deriving compensation for labor or personal services performed within the Netherlands.

ARTICLE XVII

Professors or teachers, residents of one of the Contracting States, who in accordance

with agreements between the Contracting States or between teaching establishments in the Contracting States for the exchange of professors and teachers, visit the other Contracting State to teach, for a maximum period of two years, in a university, college or other teaching establishment in such other Contracting State, shall not be taxed by such other State with respect to the remuneration which they receive for such teaching.

ARTICLE XVIII

Students or business apprentices of one Contracting State residing in the other Contracting State exclusively for purposes of study or for acquiring business experience shall not be taxable by the latter State in respect of remittances received by them from abroad for the purpose of their maintenance or studies.

ARTICLE XIX

(1) Notwithstanding any provisions of the present Convention (other than paragraph (1) of Article XV when applicable in the case of an individual who is deemed by each Contracting State to be a citizen thereof), each of the two Contracting States, in determining the taxes, including all surtaxes, of its citizens or residents or corporations, may include in the basis upon which such taxes are imposed all items of income taxable under its own revenue laws as though this Convention had not come into effect.

(2) As far as may be in accordance with the provisions of the United States Internal Revenue Code, the United States agrees to allow as a deduction from the income taxes imposed by the United States the appropriate amount of taxes paid to the Netherlands, whether paid directly by the taxpayer or by withholding at the source.

(3) As far as may be in accordance with the provisions of Netherlands law, the Netherlands agrees to allow a deduction from Netherlands tax with respect to income from sources within the United States, in order to take into account the Federal income taxes paid to the United States, whether paid directly by the taxpayer or by withholding at the source.

ARTICLE XX

(1) All persons who left the Netherlands between April 30, 1939, and December 31, 1945, inclusive (other than persons who were citizens of the United States at the time of leaving the Netherlands or Netherlands subjects who by reason of their function as governmental officials in established service reside abroad and the members of their family living with them), and who are deemed to be taxpayers under the provisions of Netherlands law relating to the capital accretions tax or the extraordinary capital tax, and who became residents of the United States (according to the income tax law of the United States) during that period, and who did not return to the Netherlands on or before December 31, 1945, to resume residence in the Netherlands (according to the income tax law of the Netherlands), shall be taxable by the Netherlands:

(a) Under the law relating to the capital accretions tax, only in respect of accretions arising from their property situated in the Netherlands (as defined in that law in the case of nonresidents) and from their activities in the Netherlands.

(b) Under the law relating to the extraordinary capital tax, only in respect of their property situated in the Netherlands (as defined in that law in the case of nonresidents).

(2) All persons who left the Netherlands between April 30, 1939, and December 31, 1945, inclusive, and who were citizens of the United States at the time of leaving the Netherlands, and who are deemed to be taxpayers under the provisions of Netherlands law relating to the capital accretions tax or the extraordinary capital tax, and who became residents of the United States (accord-

ing to the income tax law of the United States) on or before December 31, 1945, shall be taxable by the Netherlands:

(a) Under the law relating to the capital accretions tax, only in respect of accretions arising from their property situated in the Netherlands (as defined in that law in the case of nonresidents) and from their activities in the Netherlands;

(b) Under the law relating to the extraordinary capital tax, only in respect of their property situated in the Netherlands (as defined in that law in the case of nonresidents).

(3) The provisions of this Article shall be deemed to be effective as though the present Convention had entered into force on the effective date of the Netherlands law relating to the capital accretions tax or the extraordinary capital tax, as the case may be.

ARTICLE XXI

The competent authorities of the Contracting States shall exchange such information (being information which such authorities have in proper order at their disposal) as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or the administration of statutory provisions against legal avoidance in relation to the taxes which are the subject of the present Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any person other than those concerned with the assessment and collection of the taxes which are the subject of the present Convention. No information as aforesaid shall be exchanged which would disclose any trade, business, industrial or professional secret or trade process.

ARTICLE XXII

(1) The Contracting States undertake to lend assistance and support to each other in the collection of the taxes which are the subject of the present Convention, together with interest, costs, and additions to the taxes and fines not being of a penal character.

(2) In the case of applications for enforcement of taxes, revenue claims of each of the Contracting States which have been finally determined may be accepted for enforcement by the other Contracting State and collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes. The State to which application is made shall not be required to enforce executory measures for which there is no provision in the law of the State making the application.

(3) Any application shall be accompanied by documents establishing that under the laws of the State making the application the taxes have been finally determined.

(4) The assistance provided for in this Article shall not be accorded with respect to the citizens, corporations, or other entities of the State to which application is made, except as is necessary to insure that the exemption or reduced rate of tax granted under the convention to such citizens, corporations or other entities shall not be enjoyed by persons not entitled to such benefits.

ARTICLE XXIII

(1) In no case shall the provisions of Articles XXI and XXII be construed so as to impose upon either of the Contracting States the obligation

(a) to carry out administrative measures at variance with the regulations and practice of either Contracting State, or

(b) to supply particulars which are not procurable under its own legislation or that of the State making application.

(2) The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it. Nevertheless, such State may refuse to comply with the request for

reasons of public policy or if compliance would involve violation of a trade, business, industrial or professional secret or trade process. In such case it shall inform, as soon as possible, the State making the application.

ARTICLE XXIV

Where the action of the revenue authorities of the Contracting States has resulted or will result in double taxation contrary to the provisions of the present Convention, the taxpayer shall be entitled to lodge a claim with the State of which he is a citizen or subject or, if he is not a citizen or subject of either of the Contracting States, with the State of which he is a resident, or, if the taxpayer is a corporation, with the State in which it is created or organized. Should the claim be upheld, the competent authority of such State shall undertake to come to an agreement with the competent authority of the other State with a view to equitable avoidance of the double taxation in question.

ARTICLE XXV

(1) The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the Contracting States in the determination of the tax imposed by such State.

(2) Should any difficulty or doubt arise as to the interpretation or application of the present Convention, the competent authorities of the Contracting States shall undertake to settle the question by mutual agreement.

(3) The citizens or subjects of one of the Contracting States shall not, while resident in the other Contracting State, be subjected therein to other or more burdensome taxes than are the citizens or subjects of such other Contracting State residing in its territory. The term "citizens" or "subjects" as used in this Article includes all legal persons, partnerships and associations deriving their status from, or created or organized under the laws in force in, the respective Contracting States. In this Article the word "taxes" means taxes of every kind or description whether national, federal, state, provincial or municipal.

ARTICLE XXVI

(1) The authorities of each of the Contracting States, in accordance with the practices of that State, may prescribe regulations necessary to carry out the provisions of the present Convention.

(2) With respect to the provisions of the present Convention relating to exchange of information and mutual assistance in the collection of taxes, the competent authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency, disposition of amounts collected, minimum amounts subject to collection, and related matters.

ARTICLE XXVII

(1) Either of the Contracting States may, at the time of exchange of instruments of ratification or thereafter while the present Convention continues in force, by a written notification of extension given to the other Contracting State through diplomatic channels, declare the desire of the government of any overseas part of the Kingdom (in the case of the Netherlands) or overseas territory (in the case of the United States), which imposes taxes substantially similar in character to those which are the subject of the present Convention, that the operation of the present Convention, either in whole or as to such provisions thereof as may be deemed to have special application, shall extend to such part or territory.

(2) In the event that a notification is given by one of the Contracting States in accord-

ance with paragraph (1) of this Article, the present Convention, or such provisions thereof as may be specified in the notification, shall apply to any part or territory named in such notification on and after the first day of January following the date of a written communication through diplomatic channels addressed to such Contracting State by the other Contracting State, after such action by the latter State as may be necessary in accordance with its own procedures, stating that such notification is accepted in respect of such part or territory. In the absence of such acceptance, none of the provisions of the present Convention shall apply to such part or territory.

(3) At any time after the expiration of one year from the effective date of an extension made by virtue of paragraphs (1) and (2) of this Article, either of the Contracting States may, by a written notice of termination given to the other Contracting State through diplomatic channels, terminate the application of the present Convention to any part or territory to which the Convention, or any of its provisions, has been extended. In that case, the present Convention, or the provisions thereof specified in the notice of termination, shall cease to be applicable to the part or territory named in such notice of termination on and after the first day of January following the expiration of a period of six months after the date of such notice; provided, however, that this shall not affect the continued application of the Convention, or any of the provisions thereof, to the United States, to the Netherlands, or to any part or territory (not named in the notice of termination) to which the Convention, or such provision thereof, applies.

(4) For the application of the present Convention in relation to any part or territory to which it is extended by notification given by the United States or the Netherlands, references to "the United States" or to "the Netherlands" or to one or the other Contracting State, as the case may be, shall be construed to refer to such part or territory.

ARTICLE XXVIII

(1) The present Convention shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

(2) The present Convention shall become effective on the first day of January in the year last preceding the year in which the exchange of instruments of ratification takes place. It shall continue effective for a period of five years beginning with that date and indefinitely after that period, but may be terminated by either of the Contracting States at the end of the five-year period or at any time thereafter, provided that at least six months' prior notice of termination has been given, the termination to become effective on the first day of January following the expiration of the six-month period.

Done at Washington, in duplicate, in the English and Dutch languages, the two texts having equal authenticity, this 29th day of April, 1948.

For the Government of the United States of America:

G. C. MARSHALL [SEAL]

For the Government of the Kingdom of the Netherlands:

E. N. VAN KLEFFENS [SEAL]

PROCLAMATION OF THE PRESIDENT OF THE UNITED STATES DATED DECEMBER 8, 1948

And whereas the Senate of the United States of America, by their resolution of June 17, 1948, two-thirds of the Senators present concurring therein, did advise and consent to the ratification of the aforesaid convention subject to certain reservations, as follows:

(1) The Government of the United States of America does not accept Article XI of the convention relating to gains from the sale or exchange of capital assets.

(2) The Government of the United States of America does not accept Article XIII of the convention relating to United States taxation of the undistributed earnings, profits, income or surplus of a Netherlands corporation.

(3) The Government of the United States of America does not accept Article XIV of the convention relating to settlement of unpaid United States income tax liability unless there be eliminated therefrom, (a) references now appearing therein to Article XIII and (b) any language which might prevent the taxation by United States of capital gains, if any, taxable under the revenue laws of the United States for the respective years in which such gains were realized.

And whereas the respective instruments of ratification of the aforesaid convention were duly exchanged at Washington on December 1, 1948, and a protocol of exchange of instruments of ratification, in the English and Dutch languages, was signed on that date by the respective Plenipotentiaries of the United States of America and the Kingdom of the Netherlands, the English text of which protocol reads in part as follows:

The ratification by the Government of the United States of America of the convention aforesaid recites in their entirety the reservations contained in the resolution of June 17, 1948 of the Senate of the United States of America advising and consenting to ratification of the convention aforesaid, the texts of which reservations were communicated by the Government of the United States of America to the Government of the Kingdom of the Netherlands. The Government of the Kingdom of the Netherlands has accepted the reservations aforesaid. Accordingly, it is the understanding of both Governments that Article XI and Article XIII of the convention aforesaid shall be deemed to be deleted and of no effect and further that, with respect to Article XIV, there shall be deemed to be deleted therefrom and of no effect (a) all references therein to Article XIII and (b) any language which might prevent the taxation of capital gains, if any, taxable under the revenue laws of either of the two Governments for the respective years in which such gains were realized.

§ 7.851 *Applicable provisions of the Internal Revenue Code.* The Internal Revenue Code provides in part as follows:

CHAPTER I—INCOME TAX

SEC. 22. GROSS INCOME.

(b) *Exclusions from gross income.* The following items shall not be included in gross income and shall be exempt from taxation under this chapter:

(7) *Income exempt under treaty.* Income of any kind, to the extent required by any treaty obligation of the United States;

SEC. 62. RULES AND REGULATIONS. The Commissioner, with the approval of the Secretary, shall prescribe and publish all needful rules and regulations for the enforcement of this chapter.

Pursuant to section 62 of the Internal Revenue Code, other provisions of the internal revenue laws, and to Article XXVI of the convention, the following regulations, which are designated as §§ 7.850 to 7.868, are hereby prescribed

and all regulations inconsistent herewith are modified accordingly.

§ 7.852 Scope of the convention. The primary purposes of the convention, to be accomplished on a reciprocal basis, are to avoid double taxation upon major items of income derived from sources in one country by persons resident in, or by corporations of, the other country, and to provide for administrative cooperation between the competent tax authorities of the two countries looking to the avoidance of double taxation and the prevention of fiscal evasion.

The specific classes of income from sources within the United States exempt under the convention from United States tax where derived from such sources on or after January 1, 1947, are:

(a) Industrial and commercial profits of a Netherlands enterprise having no permanent establishment in the United States (Article III);

(b) Income derived by a nonresident alien who is a resident of the Netherlands, or by a Netherlands corporation, from the operation of ships or aircraft registered in the Netherlands (Article VI);

(c) Interest (other than interest from mortgage notes (not including bonds) secured by real property) and royalties (including film rentals) derived by a nonresident alien who is a resident of the Netherlands or by a Netherlands corporation if such alien or corporation has no permanent establishment in the United States (but such exemption does not apply to interest paid to a Netherlands corporation controlling the corporation paying such interest) (Articles VIII and IX);

(d) Wages, salaries, compensation, pensions and life annuities paid by, or out of funds created by, the Netherlands to aliens present in the United States (Article XV);

(e) Compensation, subject to certain limitations, for personal services derived by a nonresident alien who is a resident of the Netherlands (Article XVI);

(f) Private pensions and life annuities derived by nonresident alien individuals residing in the Netherlands (Article XV (2));

(g) Dividends and interest paid by a Netherlands corporation to a nonresident alien or to a foreign corporation (Article XII);

(h) Remuneration derived from teaching in the United States, under certain conditions, for a period of not more than two years by a professor or teacher who is a resident of the Netherlands but who is temporarily present in the United States (Article XVII);

(i) Remittances from sources outside the United States received in the United States by a nonresident alien individual who is resident in the Netherlands but who is temporarily present in the United States for the purposes of study or for acquiring business experience, such remittances being for the purpose of his maintenance or studies (Article XVIII).

The convention also reduces to 15 percent the rate of tax otherwise imposed upon dividends derived by a nonresident alien who is a resident of the Netherlands or by a Netherlands corporation if

such alien or corporation has no permanent establishment in the United States.

As to exemption from withholding of the tax at the source in the case of interest, royalties, pensions, and life annuities, and reduction in the rate of tax from 30 percent to 15 percent in the case of dividends see Treasury Decision 5690, approved March 2, 1949 (26 CFR 7.800 to 7.810).

The convention does not affect the liability to United States income taxation of subjects of the Netherlands who are residents of the United States except that such individuals are entitled to the benefits of Article XIX (relating to credit for Netherlands income tax), and of Article XXV (relating to equality of taxation). Except as provided in Article XIX, relating to the credit for income tax, the convention does not affect taxation by the United States of a citizen of the United States or of a domestic corporation, even though such citizen is resident in the Netherlands and such corporation is engaged in trade or business in the Netherlands.

§ 7.853 Definitions. As used in §§ 7.850 to 7.868, unless the context otherwise requires, the terms defined in the convention shall have the meanings so assigned to them. Any term used in such sections which is not defined in the convention but which is defined in the Internal Revenue Code shall be given the definition contained therein unless the context otherwise requires.

As used in §§ 7.850 to 7.868:

(a) The term "permanent establishment" means a branch, factory, or other fixed place of business. The fact that a Netherlands corporation has a domestic subsidiary corporation, or a foreign subsidiary corporation having a branch in the United States, does not of itself constitute either subsidiary corporation a permanent establishment of the parent Netherlands enterprise. The fact that a Netherlands enterprise has business dealings in the United States through a bona fide commission agent, broker, or custodian, acting in the usual course of his business as such, or maintains in the United States an office or other fixed place of business used exclusively for the purchase of goods or merchandise, does not mean that such Netherlands enterprise has a permanent establishment in the United States. If, however, a Netherlands enterprise carries on business in the United States through an agent who has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of such enterprise or if it has an agent who maintains within the United States a stock of merchandise from which he regularly fills orders on behalf of his principal, then such enterprise shall be deemed to have a permanent establishment in the United States. However, an agent having power to contract on behalf of his principal but only at fixed prices and under conditions determined by the principal does not necessarily constitute a permanent establishment of such principal. The mere fact that an agent (assuming he has no general authority to contract on behalf of his employer or principal) maintains samples or occa-

sionally fills orders from incidental stocks of goods maintained in the United States will not constitute a permanent establishment within the United States. The mere fact that salesmen, employees of a Netherlands enterprise, promote the sale of their employer's products in the United States or that such enterprise transacts business in the United States by means of mail order activities, does not mean such enterprise has a permanent establishment therein. The term "permanent establishment" as used in the convention implies the active conduct therein of a business enterprise. The mere ownership, for example, of timberlands or a warehouse in the United States by a Netherlands enterprise does not mean that such enterprise has a permanent establishment therein. As to the effect of the maintenance of a permanent establishment within the United States upon exemption from United States tax in the case of interest and royalties and reduction in the rate of United States tax in the case of dividends, see § 7.857.

(b) The term "enterprise" means any commercial or industrial undertaking whether conducted by an individual, partnership, corporation, or other entity. It includes such activities as manufacturing, merchandising, mining, processing, and banking. It does not include the rendition of personal services. Hence, a nonresident alien who is a resident of the Netherlands and who renders personal services is not, merely by reason of such services, engaged in an enterprise within the meaning of the convention and his liability to United States tax is not affected by Article III of the convention.

(c) The term "Netherlands enterprise" means an enterprise carried on in the Netherlands by a citizen or resident of the Netherlands or by a Netherlands corporation. The term "Netherlands corporation" means a corporation, association, or other organization or juridical entity created in or under the laws of the Netherlands.

(d) The term "industrial or commercial profits" means profits arising from industrial, commercial, mercantile, manufacturing, and like activities of a Netherlands enterprise as defined in this section. Such term does not include rentals, royalties, interest, dividends, fees, compensation for personal services, nor gains derived from the sale or exchange of capital assets. Such enumerated items of income are not governed by the provisions of Article III of the convention.

§ 7.854 Scope of convention with respect to determination of "industrial or commercial profits"—(a) General. Article III of the convention adopts the principle that an enterprise of one of the contracting states shall not be taxable by the other contracting state upon its industrial or commercial profits unless it has a permanent establishment in the latter state. Hence, a Netherlands enterprise is subject to United States tax upon its industrial and commercial profits to the extent of such profits from sources within the United States only if it has a permanent establishment within the United States. From the

standpoint of Federal income taxation, the article has application only to a Netherlands enterprise and to the industrial and commercial income thereof from sources within the United States. It has no application, for example, to compensation for labor or personal services performed in the United States nor to income derived from real property located in the United States, including rentals and royalties therefrom, nor to gains from the sale or disposition of such property, nor to interest, dividends, royalties, other fixed or determinable annual or periodical income and gains derived from the sale or exchange of capital assets.

(b) *No United States permanent establishment.* A nonresident alien (including a nonresident alien individual, fiduciary and partnership) who is a resident or citizen of the Netherlands or a Netherlands corporation, carrying on an enterprise in the Netherlands and having no permanent establishment in the United States is not, with respect to income arising on or after January 1, 1947, subject to United States income tax upon industrial or commercial profits from sources within the United States. For example, if the Netherlands enterprise carried on by such alien or corporation sells, in 1948, merchandise, such as tulip bulbs, textiles, or liquors, through a bona fide commission agent or broker in the United States acting in the ordinary course of his business as such agent or broker, the resulting profits are, under the terms of Article III of the convention, exempt from United States income tax. Likewise no permanent establishment exists and no United States income tax attaches to such profits if such enterprise, through its sales agents in the United States, secures orders for its products, the sales being made in the Netherlands.

(c) *United States permanent establishment.* A nonresident alien (including a nonresident alien individual, fiduciary and partnership) who is a resident or citizen of the Netherlands, or a Netherlands corporation, whether or not carrying on an enterprise in the Netherlands, having a permanent establishment in the United States, is subject to tax upon industrial or commercial profits from sources within the United States to the same extent as are nonresident aliens and foreign corporations engaged in trade or business therein. In the determination of the income taxable to such alien or foreign corporation all industrial and commercial profits from sources within the United States shall be deemed to be allocable to the permanent establishment in the United States. Hence, for example, if a Netherlands enterprise having a permanent establishment in the United States sells in the United States, through a commission agent therein goods produced in the Netherlands, the resulting profits derived from United States sources from such transactions are allocable to such permanent establishment even though such transactions were carried on independently of such establishment. In determining industrial and commercial profits no account shall be taken of the mere purchase of merchandise within the United States by the

Netherlands enterprise. The industrial or commercial profits of the permanent establishment shall be determined as if the establishment were an independent enterprise engaged in the same or similar activities and dealing at arm's length with the enterprise of which it is a permanent establishment.

§ 7.855 *Control of a domestic enterprise by a Netherlands enterprise.* Article IV of the convention provides, in effect, that if a Netherlands corporation by reason of its control of a domestic enterprise imposes on such latter enterprise conditions different from those which would result from normal business relations between independent enterprises, the accounts between the enterprises may be adjusted so as to ascertain the true net income of each enterprise. The purpose is to place the controlled domestic enterprise on a tax parity with an uncontrolled domestic enterprise by determining, according to the standard of an uncontrolled enterprise, the true net income from the property and business of the controlled enterprise. The basic objective of the article is that if the accounting records do not truly reflect the net income from the property and business of such domestic enterprise the Commissioner of Internal Revenue may intervene and, by making such distributions, apportionments, or allocations as he may deem necessary of gross income or deductions of any item or element affecting net income as between such domestic enterprise and the Netherlands enterprise by which it is controlled or directed, determine the true net income of the domestic enterprise. The provisions of § 29.45-1, Regulations 111, shall, insofar as applicable, be followed in the determination of the net income of the domestic business.

§ 7.856 *Income from operation of ships and aircraft.* The income derived from the operation of ships or aircraft registered in the Netherlands by a nonresident alien who is a resident or citizen of the Netherlands, or by a Netherlands corporation, and carrying on an enterprise in the Netherlands, is, with respect to such income derived on or after January 1, 1947, exempt from United States income tax under the provisions of Article VI of the convention. However, the profits, if any, derived by such alien or corporation from the operation of ships or aircraft not so registered are treated as are industrial and commercial profits generally. See Article III of the convention and § 7.854.

§ 7.857 *Exemption from, or reduction in rate of, United States tax in the case of dividends, interest and royalties—(a) Dividends—(1) General.* The tax imposed by the Internal Revenue Code in the case of dividends received on or after January 1, 1947, from sources within the United States by (i) a nonresident alien (including a nonresident alien individual, fiduciary and partnership) who is a resident of the Netherlands, or (ii) a Netherlands corporation is limited to 15 percent under the provisions of Article VII (1) (relating to dividends) if such alien or corporation, at no time during the taxable year in which such dividends were so derived, was engaged in trade

or business within the United States through a permanent establishment therein. Thus, if a nonresident alien who is a resident of the Netherlands, performs personal services within the United States during the calendar year 1948 and has no permanent establishment within the United States at any time during such year, he is entitled to the reduced rate of tax with respect to such dividends derived by him from United States sources in that year, even though by reason of his having rendered personal services within the United States he is engaged in trade or business therein in that year within the meaning of section 211 (b) of the Internal Revenue Code. If, for example, A, a nonresident alien who is a resident of the Netherlands, derives in 1948, \$5,000 compensation for such personal services and his only other income from sources within the United States consists of dividends, the dividends are subject to tax at a rate not to exceed 15 percent and his earned income is subject to normal tax and surtax without taking the dividends into account in determining the tax on such earned income.

(2) *Dividends paid by a United States subsidiary corporation.* Under the provisions of Article VII (1) of the convention, dividends paid by a domestic corporation to a Netherlands corporation are subject to tax at the rate of only 5 percent if (i) such Netherlands corporation controls, directly or indirectly, at the time the dividend is paid 95 percent or more of the voting power in such domestic corporation, (ii) not more than 25 percent of the gross income of the domestic corporation for the three year period preceding the taxable year in which the dividend is paid consists of dividends and interest (other than dividends and interest paid to such domestic corporation by its own subsidiary corporations, if any), and (iii) the relationship between such domestic corporation and such Netherlands corporation has not been arranged or maintained primarily with the intention of securing such reduced rate of 5 percent.

(b) *Interest and royalties—(1) General.* Interest (other than interest from mortgage notes (not including bonds) secured by real property and other than interest paid by a subsidiary corporation to its Netherlands parent corporation, as explained in subparagraph (2) of this paragraph), whether on bonds, securities, notes, debentures, or any other form of indebtedness (including interest on obligations of the United States and on obligations of instrumentalities of the United States) and royalties for the right to use copyrights, patents, designs, secret processes and formulae, trade marks, and other analogous property, and royalties (including rentals in respect of motion picture films) or for the use of industrial, commercial or scientific equipment received on or after January 1, 1947, from sources within the United States by (i) a nonresident alien (including a nonresident alien individual, fiduciary, and partnership) who is a resident of the Netherlands, or (ii) a Netherlands corporation are exempt from United States tax under the provisions of Articles VIII and IX of the convention if such alien or

corporation at no time during the taxable year in which such interest or royalty was so derived had a permanent establishment situated within the United States.

Such interest and royalties are, therefore, not subject to the withholding provisions of the Internal Revenue Code.

(2) *Interest paid by subsidiary corporation to its Netherlands parent corporation.* Article VIII (1) of the convention provides, in part, that the exemption from United States tax of interest paid to Netherlands corporations shall not apply to interest paid by a domestic corporation to a Netherlands corporation if such Netherlands corporation controls, directly or indirectly, more than 50 percent of the entire voting power in such domestic corporation.

(c) *Beneficiaries of an estate or trust.* A nonresident alien who is a resident of the Netherlands and who is a beneficiary of a domestic estate or trust shall be entitled to the exemption, or reduction in the rate of tax, as the case may be, provided in Articles VII, VIII and IX of the convention with respect to dividends, interest and royalties to the extent such item or items are included in his distributive share of income of such estate or trust if he is not engaged in trade or business in the United States through a permanent establishment. In such case such beneficiary must, in order to be entitled to the exemption or reduction in the rate of tax, execute Form 1001-N or Form 1001A-N (modified to show dividends where applicable) and file such form with the fiduciary of such estate or trust in the United States.

In any case in which dividends, interest or royalties are derived from United States sources by a Netherlands estate or trust any beneficiary of such estate or trust who is not a resident of the Netherlands, or who is engaged in trade or business in the United States through a permanent establishment, is not entitled to any exemption under the convention with respect to such income included in his distributive share of the income of the estate or trust.

§ 7.858 *Government wages, salaries, pensions and similar remuneration.* Article XV (1) of the convention provides that wages, salaries and similar compensation, and pensions and life annuities, paid on and after January 1, 1947, to an individual either directly by, or from funds created by, the Government of the Netherlands or by a political subdivision or territory of the Netherlands, is exempt from Federal income tax. The provisions of this article of the convention are, however, subject to the reservation and exception contained in Article XIX of the convention. No exemption from Federal income tax as to such income, not otherwise allowed by the internal revenue laws, is granted to a citizen or resident of the United States, except as to an individual who occupies the dual status of a citizen of the United States and a citizen of the Netherlands. Thus, if A, a United States citizen, marries a Netherlands subject and assumes the status of a Netherlands subject by reason of such marriage without relinquishing her United States citizenship,

and performs personal services, whether within or without the United States, for the Government of the Netherlands, the compensation for such services is excluded from gross income. As to the taxation, generally, of compensation of alien employees of foreign governments see section 116 (h) of the Internal Revenue Code and § 29.116-2, Regulations 111.

§ 7.859 *Pensions and life annuities.* Under the provisions of Article XV (2) of the convention, private pensions and life annuities derived on or after January 1, 1947, from sources within the United States by a nonresident alien individual who is a resident of the Netherlands are exempt from Federal income tax. The term "pensions" is defined in Article XV (3), and for the purposes of Article XV (2) does not include retired pay or pensions paid by the United States or by any state or territory of the United States. The term "life annuities" is defined in Article XV (4), and for the purposes of Article XV (2) does not include retired pay or pensions paid by the United States or by any state or territory of the United States.

§ 7.860 *Compensation for labor or personal services.* Article XVI of the convention provides, upon a reciprocal basis, that a nonresident alien who is a resident of the Netherlands is exempt from Federal income tax upon compensation (regardless of amount of such compensation) received by such alien on or after January 1, 1947, for labor or personal (including professional) services performed during the taxable year within the United States if for such taxable year:

(a) Such alien is temporarily present within the United States for a period or periods not exceeding 183 days during the taxable year, and

(b) Such services are performed as a worker or employee of, or under contract with, a resident of the Netherlands or a Netherlands corporation (even though such resident or corporation is engaged in trade or business within the United States) which resident or corporation actually bears the expense of such compensation and is not reimbursed therefor by another person.

As to the source of compensation for labor or personal services, see section 119 (a) (3), Internal Revenue Code.

§ 7.861 *Dividends and interest paid by a Netherlands corporation.* A dividend paid by a foreign corporation constitutes in whole or in part income from sources within the United States and hence is subject to tax in the hands of a nonresident alien or foreign corporation, if 50 percent or more of the gross income of the foreign corporation paying such dividend is derived from sources within the United States during the period prescribed by the statute. Section 119 (a) (2) (B), Internal Revenue Code, and § 29.119-3 (b), Regulations 111. Interest paid by a resident foreign corporation constitutes in its entirety income from sources within the United States, and hence is subject to tax in the hands of a nonresident alien individual or foreign corporation, if 20 percent of

more of the gross income of the foreign corporation paying such interest is derived from sources within the United States during the period prescribed by the statute. Section 119 (a) (1) (B), Internal Revenue Code, and § 29.119-2 (b), Regulations 111.

Under the provisions of Article XII of the convention dividends and interest paid by a Netherlands corporation to any nonresident alien or to any foreign corporation, whether or not such alien is a resident of the Netherlands, are not, on and after January 1, 1947, subject to Federal income tax regardless of whether the corporation paying such dividends or interest is a resident foreign (as to the United States) corporation and regardless of the percentage of its gross income derived from sources within the United States.

§ 7.862 *Visiting professors or teachers.* Under Article XVII of the convention, an alien who is a resident of the Netherlands is exempt from United States income tax with respect to remuneration derived on or after January 1, 1947, for teaching, lecturing, or instructing at any university, college, school, or other educational institution situated within the United States for a period not exceeding two years from the date of his arrival in the United States, if he is temporarily present in the United States for such purposes and because of an agreement between the United States and the Netherlands or an agreement between an educational institution situated in the United States and an educational institution situated in the Netherlands, such agreement having as its object the exchange of professors and teachers between such institutions. It shall be deemed that such alien coming to the United States for the purposes indicated has, for a period of not more than two years immediately succeeding the date of his arrival within the United States for such purposes, the tax status of a nonresident alien in the absence of proof of his intention to remain indefinitely in the United States.

§ 7.863 *Remittances.* Under Article XVIII of the convention, nonresident alien individuals who are residents of the Netherlands but who are temporarily present in the United States for the purposes of study or for acquiring business experience are exempt from Federal income tax upon amounts derived on or after January 1, 1947, and representing remittances from sources outside the United States for the purposes of their maintenance, education, studies and training.

§ 7.864 *Natural resources royalties and real property rentals.* Under Article X of the convention, in any case in which a nonresident alien (who is a resident of the Netherlands) or a Netherlands corporation, derives from sources within the United States, on or after January 1, 1947, royalties from the operation of mines, oil wells, quarries or other natural resources, or rentals from real property situated within the United States, such alien or corporation may elect, for the taxable year in which such income is so derived, to be subject to Federal income

tax as if such alien or corporation were engaged in trade or business within the United States by reason of having a permanent establishment therein during such taxable year. Such election shall be made by so signifying on the return for such year. The election so signified shall be irrevocable for the taxable year for which such election is made. In such a case a return may be filed by the non-resident alien or foreign corporation even though the sole income of such alien or corporation from sources within the United States is fixed or determinable annual or periodical income upon which the tax has been fully satisfied at the source and there exists no necessity for the filing of the return except for the purposes of securing the benefits of Article X of the convention. See § 29.217-2, Regulations 111.

§ 7.865 *Credit against United States tax liability for income tax paid to the Netherlands.* For the purpose of avoidance of double taxation, Article XIX (2) of the convention provides that there shall be allowed by the United States a credit against United States income tax liability for the amount of the Netherlands taxes described in Article I (b) (i) of the convention imposed on income derived on or after January 1, 1947, from sources within the Netherlands. Such credit is, however, subject to the limitations provided in section 131 of the Internal Revenue Code (relating to the credit for foreign taxes). See §§ 29.131-1 to 29.131-9 of Regulations 111.

§ 7.866 *Adjustment of tax liability of nonresident aliens who are residents of the Netherlands and of Netherlands corporations.* Article XIV (1) of the convention as modified by the reservations thereto (see § 7.850) confers upon the Commissioner of Internal Revenue authority to adjust the tax liability for taxable years beginning prior to January 1, 1936, of any nonresident alien individual who is a resident of the Netherlands and of any corporation organized under the laws of the Netherlands in any case in which such tax liability remained unpaid on January 1, 1947 (the effective date of the convention). Such provisions, however, will not apply unless—

(a) The taxpayer files with the Commissioner of Internal Revenue on or before December 31, 1949, a request that such tax liability be so adjusted, showing facts sufficient to apprise the Commissioner of the basis of the request. The Commissioner may also require a sworn statement showing for each year involved and for such other years as he deems pertinent: (1) By items and classes of income, the amounts of dividends, interest, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical income, gains, profits, and income derived from sources within the United States; (2) the business transactions, if any, carried on in the United States by or in behalf of the taxpayer during each of such years; and (3) such further information as the Commissioner may require in the particular case; and

(b) The Commissioner is satisfied that the additional income tax involved did not arise by reason of fraud with intent to evade the tax on the part of the taxpayer concerned.

In any case in which the Commissioner deems it appropriate to exercise the authority thus conferred, the resulting tax liability for any such year or years may not exceed the amount of the liability which would be determined had the following been given effect for such year or years:

(i) The Revenue Act of 1936 (except in the case of a Netherlands corporation in which more than 50 percent of the entire voting power was controlled, directly or indirectly, throughout the latter half of the taxable year for which the liability is being determined, by citizens or residents of the United States), but the taxation of gains, if any, from the sale or exchange of capital assets in the respective years shall be determined without regard to that act;

(ii) Article XII of the convention, exempting from United States tax dividends and interest paid by a Netherlands corporation to nonresident aliens or foreign corporations.

In any case in which the Commissioner of Internal Revenue has exercised his authority to apply the provisions of Article XIV (1) of the convention, if the taxpayer was not engaged in trade or business within the United States and had no office or place of business therein during the taxable year involved, the aggregate amount of interest and penalties may not exceed 50 percent of the amount of the tax with respect to which such interest and penalties have been computed.

Article XIV (2) of the convention as modified by the reservations thereto (see § 7.850), provides that the Federal income tax liability for taxable years beginning after December 31, 1935, and prior to January 1, 1947, which remained unpaid on January 1, 1947, in the case of any nonresident alien individual, a resident of the Netherlands, or of any Netherlands corporation, shall be determined under the United States internal revenue law properly applicable thereto, except that Article XII (relating to exemption from United States tax of dividends and interests paid by a Netherlands corporation) shall be treated as being in effect for such years. (See § 7.861.)

§ 7.867 *Reciprocal administrative assistance—(a) General.* By Article XXI of the convention, the United States and the Netherlands adopt the principle of exchange of such information as is necessary for carrying out the provisions of the convention or for the prevention of fraud or for the detection of practices which are aimed at reduction of the revenues of either country, but not including information which would disclose a trade, business, industrial or professional secret or trade process.

The information and correspondence relative to exchange of information may be transmitted directly by the Commissioner of Internal Revenue to the Directeur-Generaal der Belastingen of the Netherlands.

(b) *Information to be furnished in due course.* Pursuant to such principle, every United States withholding agent shall make and file with the collector, in duplicate, an information return on Form 1042E, in addition to the withholding return, Form 1042, for the calendar year 1949 and each subsequent calendar year with respect to: (a) Dividends from which a tax of 15 percent was withheld from persons whose addresses are in the Netherlands (5 percent in the case of dividends falling within the scope of the proviso of Article VII (1) of the convention); (b) royalties and like amounts and interest (other than coupon bond interest reported on Form 1001-N) from which no tax was withheld from persons who have furnished to the withholding agent Form 1001A-N; and (c) all other fixed or determinable annual or periodical income paid to such persons.

In accordance with the provisions of Article XXI of the convention, the Commissioner of Internal Revenue will forward to the Directeur-Generaal der Belastingen of the Netherlands, as soon as practicable after the close of the calendar year 1949, and of each calendar year thereafter during which the convention is in effect, the following information relating to such calendar year: the names and addresses of all persons whose addresses are in the Netherlands, who derived from sources within the United States dividends, interest, rents, royalties, salaries, wages, pensions, annuities and other fixed or determinable annual or periodical profits or income, and the amount of such income with respect to such persons as disclosed on such return. For these purposes the transmission to the Directeur-Generaal der Belastingen of information return Form 1042E for the calendar year 1949 and subsequent calendar years, shall constitute compliance with the provisions of Article XXI of the convention and of §§ 7.850 to 7.868.

(c) *Information in specific cases.* Under the provisions and limitations of Article XXI of the convention, and subject to the provisions of Article XXIII and Article XXVI of the convention, and upon request of the Directeur-Generaal der Belastingen, the Commissioner of Internal Revenue shall furnish to the Directeur-Generaal der Belastingen information available to or obtainable by the Commissioner of Internal Revenue relative to the tax liability of any person under the revenue laws of the Netherlands in any case in which such information is necessary to the administration of the provisions of the convention or for the prevention of fraud or the administration of statutory provisions against legal avoidance.

§ 7.868 *Claims in cases of double taxation.* Under Article XXIV of the convention, where the action of the revenue authorities of the contracting states has resulted or will result in double taxation contrary to the provisions of the convention, the taxpayer is entitled to lodge a claim with the country of which he is a citizen or, if he is not a citizen of either country, with the country of which he is a resident, or if the taxpayer is a cor-

poration, with the country in which it is created or organized. Article XXIV further provides that should the claim be upheld, the competent authority of the country with which the claim is lodged shall undertake to come to an agreement with the competent authority of the other country with a view to equitable avoidance of the double taxation. Such a claim on behalf of a United States citizen or corporation or other entity, or on behalf of a resident of the United States who is not a Netherlands subject, shall be filed with the Commissioner of Internal Revenue, Washington 25, D. C. The claim should be set up in the form of a letter and should show fully all facts on the basis of which the claimant alleges that such double taxation has resulted or will result. If the Commissioner of Internal Revenue determines that there is an appropriate basis for the claim under the convention, he will take the matter up with the Directeur-Generaal der Belastingen of the Netherlands with a view to arranging an agreement of the character contemplated by Article XXIV.

[F. R. Doc. 49-8215; Filed, Oct. 12, 1949; 8:50 a. m.]

[26 CFR, Part 7]

TAXATION PURSUANT TO TREATIES

INCOME TAX CONVENTION BETWEEN U. S. AND KINGDOM OF DENMARK

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 62 of the Internal Revenue Code (53 Stat. 32; 26 U. S. C. 62) and Article XXII of the income tax convention between the United States and the Kingdom of Denmark, proclaimed (with reservations thereto) by the President of the United States on December 8, 1948.

[SEAL] FRED S. MARTIN,
Acting Commissioner of
Internal Revenue.

PART 7.—TAXATION PURSUANT TO TREATIES SUBPART—DENMARK, TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1947

- Sec.
7.950 Introductory.
7.951 Applicable provisions of the Internal Revenue Code.
7.952 Scope of the convention.
7.953 Definitions.
7.954 Scope of convention with respect to determination of "industrial or commercial profits."
7.955 Control of a domestic enterprise by a Danish enterprise.

- Sec.
7.956 Income from operation of ships or aircraft.
7.957 Exemption from, or reduction in rate of, United States tax in the case of dividends, interest and royalties.
7.958 Real property income, natural resource royalties.
7.959 Government wages, salaries, pensions and similar remuneration.
7.960 Pensions and life annuities.
7.961 Compensation for labor or personal services.
7.962 Students and apprentices; remittances.
7.963 Visiting professors or teachers.
7.964 Credit against United States tax liability for Danish tax.
7.965 Reciprocal administrative assistance.
7.966 Claims in cases of double taxation.

§ 7.950 *Introductory.* The income tax convention between the United States and the Kingdom of Denmark, signed May 6, 1948, proclaimed (with reservations thereto) by the President of the United States on December 8, 1948, and effective for taxable years beginning on and after January 1, 1948 (hereinafter referred to as the convention), provides in part as follows:

ARTICLE I

- (1) The taxes referred to in this Convention are:
(a) In the case of the United States of America: The Federal income tax, including surtaxes.
(b) In the case of Denmark:
The national income tax, including the war profits tax.
The intercommunal income tax.
The communal income tax.
(2) The present Convention shall also apply to any other taxes of a substantially similar character imposed by either contracting State subsequently to the date of signature of the present Convention.

ARTICLE II

- (1) As used in this Convention:
(a) The term "United States" means the United States of America, and when used in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.
(b) The term "Denmark" means the Kingdom of Denmark; the provisions of the Convention shall not, however, extend to the Faroe Islands; nor do they apply to Greenland.
(c) The term "permanent establishment" means a branch office, factory, warehouse or other fixed place of business, but does not include the casual and temporary use of merely storage facilities, nor does it include an agency unless the agent has and exercises a general authority to negotiate and conclude contracts on behalf of an enterprise or has a stock of merchandise from which he regularly fills orders on its behalf. An enterprise of one of the contracting States shall not be deemed to have a permanent establishment in the other State merely because it carries on business dealings in such other State through a *bona fide* commission agent, broker or custodian acting in the ordinary course of his business as such. The fact that an enterprise of one of the contracting States maintains in the other State a fixed place of business exclusively for the purchase of goods or merchandise shall not of itself constitute such fixed place of business a permanent establishment of such enterprise. The fact that a corporation of one contracting State has a subsidiary corporation which is a corporation of the other State or which is engaged in trade or business in the other State shall not of itself constitute that subsidiary corporation a permanent establishment of its parent corporation.

(d) The term "enterprise of one of the contracting States" means, as the case may be, "United States enterprise" or "Danish enterprise".

(e) The term "enterprise" includes every form of undertaking whether carried on by an individual, partnership, corporation, or any other entity.

(f) The term "United States enterprise" means an enterprise carried on in the United States of America by a resident of the United States of America or by a United States corporation or other entity; the term "United States corporation or other entity" means a partnership, corporation or other entity created or organized in the United States of America or under the law of the United States of America or of any State or Territory of the United States of America.

(g) The term "Danish enterprise" means an enterprise carried on in Denmark by a resident of Denmark or by a Danish corporation or other entity; the term "Danish corporation or other entity" means a partnership, corporation or other entity created or organized in Denmark or under Danish laws.

(h) The term "competent authorities" means, in the case of the United States the Commissioner of Internal Revenue or his authorized representative; and in the case of Denmark, the Chief of the Taxation Department of the Ministry of Finance (Generaldirektøren for Skattevaesenet) or his authorized representative.

(2) In the application of the provisions of the present Convention by one of the contracting States any term not otherwise defined shall, unless the context otherwise requires, have the meaning which such term has under its own tax laws.

ARTICLE III

(1) An enterprise of one of the contracting States shall not be subject to taxation in the other contracting State in respect of its industrial and commercial profits unless it is engaged in trade or business in such other State through a permanent establishment situated therein. If it is so engaged such other State may impose its tax upon the entire income of such enterprise from sources within such other State.

(2) In determining the industrial or commercial profits from sources within the territory of one of the contracting States of an enterprise of the other contracting State, no profits shall be deemed to arise from the mere purchase of goods or merchandise within the territory of the former contracting State by such enterprise.

(3) Where an enterprise of one of the contracting States is engaged in trade or business in the territory of the other contracting State through a permanent establishment situated therein, there shall be attributed to such permanent establishment the industrial or commercial profits which it might be expected to derive if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the enterprise of which it is a permanent establishment and the profits so attributed shall, subject to the law of such other contracting State, be deemed to be income from sources within the territory of such other contracting State.

ARTICLE IV

Where an enterprise of one of the contracting States, by reason of its participation in the management or the financial structure of an enterprise of the other contracting State, makes with or imposes on the latter, in their commercial or financial relations, conditions different from those which would be made with an independent enterprise, any profits which would normally have accrued to one of the enterprises but by reason of those conditions have not so accrued, may

be included in the profits of that enterprise and taxed accordingly.

ARTICLE V

(1) Income which an enterprise of one of the contracting States derives from the operation of ships or aircraft registered in that State shall be exempt from taxation in the other contracting State.

(2) The present Convention shall not be deemed to affect the arrangement between the United States and Denmark providing for relief from double income taxation on shipping profits, effected by exchanges of notes dated May 22, August 9 and 18, October 24, 25, and 28, and December 5 and 6, in the year 1922.

ARTICLE VI

(1) Dividends shall be taxable only in the contracting State in which the shareholder is resident or, if the shareholder is a corporation or other entity, in the contracting State in which such corporation or other entity is incorporated or organized.

(2) Each of the contracting States reserves, however, the right to collect and retain the tax which, under its revenue laws, is deductible at the source with respect to such dividends, but the tax shall not exceed 15 percent of the amount of dividends derived from sources within such State by a resident, corporation or other entity of the other State, if the recipient has no permanent establishment in the contracting State from which the dividends are derived.

(3) It is agreed, however, that the rate of dividend tax at the source shall not exceed five percent if the shareholder is a corporation controlling, directly or indirectly, at least 95 percent of the entire voting power in the corporation paying the dividend, and if not more than 25 percent of the gross income of such paying corporation is derived from interest and dividends, other than interest and dividends received from its own subsidiary corporations. Such reduction of the rate to five percent shall not apply if the relationship of the two corporations has been arranged or is maintained primarily with the intention of securing such reduced rate.

ARTICLE VII

Interest on bonds, securities, notes, debentures, or on any other form of indebtedness derived from sources within one of the contracting States by a resident or corporation or other entity of the other contracting State not having a permanent establishment in the former State shall be exempt from tax by such former State.

ARTICLE VIII

Royalties and other amounts derived as consideration for the right to use copyrights, patents, designs, secret processes and formulas, trade-marks and other like property (including rentals and like payments in respect of motion picture films) derived from sources within one of the contracting States by a resident or corporation or other entity of the other contracting State not having a permanent establishment in the former State shall be exempt from taxation in such former State.

ARTICLE IX

(1) Income from real property (not including interest derived from mortgages and bonds secured by real property) and royalties in respect of the operation of mines, quarries, or other natural resources, shall be taxable only in the contracting State in which such property, mines, quarries, or other natural resources are situated.

(2) A resident or corporation of one of the contracting States deriving any such income from sources within the other contracting State may, for any taxable year, elect to be subject to the tax of such other contracting State, on a net basis, as if such resident or

corporation were engaged in trade or business within such other contracting State through a permanent establishment therein during such taxable year.

ARTICLE X

(1) Wages, salaries, and similar compensation and pensions paid by one of the contracting States or by any other public authority within that State to individuals residing in the other State shall be taxable only in the former State.

(2) Private pensions and life annuities derived from within one of the contracting States and paid to individuals residing in the other contracting State shall be exempt from taxation in the former State.

(3) The term "life annuities" as used herein means a stated sum payable periodically at stated times during life, or during a specified number of years, under an obligation to make the payments in consideration of a gross sum paid for such obligation.

ARTICLE XI

(1) Compensation for labor or personal services, including the practice of the liberal professions, shall be taxable only in the contracting State in which such services are rendered.

(2) The provisions of paragraph (1) are, however, subject to the following exceptions:

(a) A resident of Denmark shall be exempt from United States tax upon compensation for labor or personal services if he is temporarily present in the United States for a period or periods not exceeding a total of ninety days during the taxable year and the compensation received for such services does not exceed \$3,000 in the aggregate. If, however, his compensation is received for labor or personal services performed as an employee of, or under contract with, a resident or corporation or other entity of Denmark, he will be exempt from United States tax if his stay in the United States does not exceed a total of 180 days during the taxable year.

(b) The provisions of paragraph (2) (a) of this Article shall apply, *mutatis mutandis*, to a resident of the United States with respect to compensation for personal services otherwise subject to income tax in Denmark.

(3) The provisions of this Article shall have no application to the income to which Article X (1) relates.

ARTICLE XII

Gains derived in one of the contracting States from the sale or exchange of capital assets by a resident or corporation or other entity of the other contracting State shall be exempt from taxation in the former State if such resident or corporation or other entity is not engaged in trade or business in such former State.

[This Article deleted by reservation, see President's Proclamation hereinafter.]

ARTICLE XIII

Students or apprentices, citizens of one of the contracting States, residing in the other contracting State exclusively for purposes of study or for acquiring business experience, shall not be taxable in the latter State in respect of remittances (other than their own income) received by them from abroad for the purposes of their maintenance or studies.

ARTICLE XIV

A professor or teacher, a resident of one of the contracting States, who temporarily visits the territory of the other contracting State for the purpose of teaching for a period not exceeding two years at a university, college, school or other educational institution in the other contracting State, shall be exempted in such other contracting State from tax on his remuneration for such teaching for such period.

ARTICLE XV

It is agreed that double taxation shall be avoided in the following manner:

(a) The United States in determining the income taxes, including surtaxes, of its citizens, residents or corporations may, regardless of any other provision of this Convention, include in the basis upon which such taxes are imposed all items of income taxable under the revenue laws of the United States as if this convention had not come into effect. The United States shall, however, subject to the provisions of section 131, Internal Revenue Code, deduct from its taxes the amount of Danish taxes specified in Article I of this Convention.

(b) Denmark, in determining its taxes specified in Article I of this Convention, may regardless of any other provision of this Convention, include in the basis upon which such taxes are imposed all items of income subject to such taxes under the taxation laws of Denmark. Denmark shall, however, deduct from the taxes so calculated the United States tax on income coming within the provisions of Articles III, IX, X (1), XIII and XIV of this Convention and on earned income earned within the United States, but in an amount not exceeding that proportion of the Danish taxes which such income bears to the entire income subject to tax by Denmark. Denmark will also allow as a deduction from its taxes an amount equal to 15 percent (five percent in the case of dividends covered by Article VI (3)) of the gross amount of dividends (reduced by the United States tax applicable to such dividends) from sources within the United States.

ARTICLE XVI

(1) The citizens of one of the contracting States shall not, while resident in the other contracting State, be subjected therein to other or more burdensome taxes than are the citizens of such other contracting State residing in its territory. As used in this paragraph,

(a) the term "citizens" includes all legal persons, partnerships, and associations created or organized under the laws in the respective contracting States, and

(b) the term "taxes" means taxes of every kind or description whether national, Federal, state, provincial or municipal.

(2) It is agreed that section 25, paragraph 5, of the Danish law No. 391 of July 12, 1946, prescribing an addition of 50 percent of the capital increment tax on corporations in cases where more than 50 percent of the entire stock capital is owned by a single shareholder residing outside Denmark, shall not be applicable when the shareholder in question is a resident of the United States or a United States corporation or other entity.

ARTICLE XVII

The competent authorities of the contracting States shall exchange such information (being information available under the respective taxation laws of the contracting States) as is necessary for carrying out the provisions of the present Convention or for the prevention of fraud or the administration of statutory provisions against tax avoidance in relation to the taxes which are the subject of the present Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any person other than those concerned with the assessment and collection of the taxes which are the subject of the present Convention. No information shall be exchanged which would disclose any trade secret or trade process.

ARTICLE XVIII

(1) The contracting States undertake to lend assistance and support to each other in the collection of the taxes which are the sub-

ject of the present Convention, together with interest, costs, and additions to the taxes.

(2) In the case of applications for enforcement of taxes, revenue claims of each of the contracting States which have been finally determined may be accepted for enforcement by the other contracting State and may be collected in that State in accordance with the laws applicable to the enforcement and collection of its own taxes.

(3) Any application shall include a certification that under the laws of the State making the application the taxes have been finally determined.

(4) The assistance provided for in this Article shall not be accorded with respect to the citizens, corporations, or other entities of the State to which application is made, except as is necessary to insure that the exemption or reduced rate of tax granted under the present Convention to such citizens, corporations, or other entities shall not be enjoyed by persons not entitled to such benefits.

ARTICLE XIX

The State to which application is made for information or assistance shall comply as soon as possible with the request addressed to it except that such State may refuse to comply with the request for reasons of public policy or if compliance would involve violation of a trade, business, industrial or professional secret or trade process.

ARTICLE XX

Where a taxpayer shows proof that the action of the revenue authorities of the contracting States has resulted in double taxation in his case in respect of any of the taxes to which the present Convention relates, he shall be entitled to lodge a claim with the State of which he is a citizen or, if he is not a citizen of either of the contracting States, with the State of which he is a resident, or, if the taxpayer is a corporation or other entity, with the State in which it is created or organized. Should the claim be upheld, the competent authority of such State may come to an agreement with the competent authority of the other State with a view to equitable avoidance of the double taxation in question.

ARTICLE XXI

(1) The provisions of this Convention shall not be construed to deny or affect in any manner the right of diplomatic and consular officers to other or additional exemptions now enjoyed or which may hereafter be granted to such officers.

(2) The provisions of the present Convention shall not be construed to restrict in any manner any exemption, deduction, credit or other allowance accorded by the laws of one of the contracting States in the determination of the tax imposed by such State.

(3) Should any difficulty or doubt arise as to the interpretation or application of the present Convention, or its relationship to Conventions between one of the contracting States and any other State, the competent authorities of the contracting States may settle the question by mutual agreement.

ARTICLE XXII

The competent authorities of the two contracting States may prescribe regulations necessary to interpret and carry out the provisions of this Convention. With respect to the provisions of this Convention relating to exchange of information and mutual assistance in the collection of taxes, such authorities may, by common agreement, prescribe rules concerning matters of procedure, forms of application and replies thereto, conversion of currency, disposition of amounts collected, minimum amounts subject to collection and related matters.

ARTICLE XXIII

(1) The present Convention shall be ratified and the instruments of ratification shall

be exchanged at Washington as soon as possible.

(2) Upon the exchange of instruments of ratification, the present Convention shall have effect.

(a) In the case of United States tax, for the taxable years beginning on or after the first day of January of the year in which such exchange takes place;

(b) In the case of Danish tax, for the taxable years beginning on or after the first day of April of the year in which such exchange takes place.

(3) The present Convention shall continue effective for a period of five years and indefinitely after that period, but may be terminated by either of the contracting States at the end of the five-year period or at any time thereafter, provided that at least six months' prior notice of termination has been given and, in such event, the present Convention shall cease to be effective.

(a) as respects United States tax, for the taxable years beginning on or after the first day of January next following the expiration of the six-month period;

(b) as respects Danish tax, for the taxable years beginning on or after the first day of April next following the expiration of the six-month period.

Done at Washington, in duplicate, in the English and Danish languages, the two texts having equal authenticity, this 6th day of May 1948.

For the President of the United States of America:

[SEAL] G C MARSHALL

For his Majesty the King of Denmark:

[SEAL] HENRIK KAUFFMANN

PROCLAMATION OF THE PRESIDENT OF THE UNITED STATES DATED DECEMBER 8, 1948

And whereas the Senate of the United States of America, by their resolution of June 17, 1948, two-thirds of the Senators present concurring therein, did advise and consent to the ratification of the aforesaid convention subject to a reservation, as follows:

The Government of the United States of America does not accept Article XII of the convention relating to gains from the sale or exchange of capital assets.

And whereas the text of the aforesaid reservation was communicated by the Government of the United States of America to the Government of Denmark and thereafter the Government of Denmark gave notice of its acceptance of the aforesaid reservation;

And whereas the aforesaid convention was duly ratified by the President of the United States of America on November 24, 1948, in pursuance of the aforesaid advice and consent of the Senate and subject to the aforesaid reservation, and the said convention, with the exception of Article XII thereof, was duly ratified on the part of Denmark;

And whereas the respective instruments of ratification of the aforesaid convention were duly exchanged at Washington on December 1, 1948, and a protocol of exchange of instruments of ratification, in the English and Danish languages, was signed on that date by the respective Plenipotentiaries of the United States of America and Denmark, the English text of which protocol reads in part: "It is the understanding of both Governments that Article XII of the convention aforesaid shall be deemed to be deleted and of no effect."

§ 7.951 *Applicable provisions of the Internal Revenue Code.* The Internal Revenue Code provides in part as follows:

CHAPTER I—INCOME TAX

SEC. 22. GROSS INCOME.

(b) *Exclusions from gross income.* The following items shall not be included in gross income and shall be exempt from taxation under this chapter:

(7) *Income exempt under treaty.* Income of any kind, to the extent required by any treaty obligation of the United States;

SEC. 62. RULES AND REGULATIONS. The Commissioner, with the approval of the Secretary, shall prescribe and publish all needful rules and regulations for the enforcement of this chapter.

Pursuant to section 62 of the Internal Revenue Code, other provisions of the internal revenue laws, and to Article XXII of the convention, the following regulations, which are designated as §§ 7.950 to 7.966, are hereby prescribed and all regulations inconsistent herewith are modified accordingly.

§ 7.952 *Scope of the convention.* The primary purposes of the convention, to be accomplished on a reciprocal basis, are to avoid double taxation upon major items of income derived from sources in one country by persons resident in, or by corporations of, the other country, and to provide for administrative cooperation between the competent tax authorities of the two countries looking to the avoidance of double taxation and fiscal evasion.

The specific classes of income from sources within the United States exempt under the convention from United States tax for taxable years beginning on and after January 1, 1948, are:

(a) Industrial and commercial profits of a Danish enterprise having no permanent establishment in the United States (Article III);

(b) Income derived by a nonresident alien who is a resident of Denmark, or by a Danish corporation, from the operation of ships or aircraft registered in Denmark (Article V);

(c) Interest and royalties (including motion picture film rentals) derived by a nonresident alien who is a resident of Denmark or by a Danish corporation if such alien or corporation has no permanent establishment in the United States (Articles VII and VIII);

(d) Compensation and pensions paid by Denmark to aliens for services rendered to Denmark (Article X (1));

(e) Private pensions and life annuities derived by nonresident alien individuals residing in Denmark (Article X (2));

(f) Compensation, subject to certain limitations, for personal services derived by a nonresident alien who is a resident of Denmark (Article XI);

(g) Remittances from sources outside the United States received in the United States by a Danish citizen who is temporarily present in the United States for the purposes of study or for acquiring business experience, such remittances being for the purpose of his maintenance or studies (Article XIII);

(h) Remuneration derived from teaching in the United States for a period of not more than two years by a professor or teacher who is a resident of

Denmark but who is temporarily present in the United States (Article XIV).

The convention also reduces to 15 percent the rate of tax otherwise imposed upon dividends derived by a nonresident alien who is a resident of Denmark, or by a Danish corporation, if such alien or corporation has no permanent establishment in the United States (Article VI).

As to exemption from withholding of the tax at the source in the case of interest, royalties, pensions and life annuities, and reduction in the rate of tax from 30 percent to 15 percent in the case of dividends, see Treasury Decision 5692, approved March 8, 1949 (26 CFR 7.900 to 7.907).

The convention does not affect the liability to United States income taxation of citizens of Denmark who are residents of the United States except that such individuals are entitled to the benefits of Article XV (relating to credit for Danish income tax), and of Article XVI (relating to equality of taxation). Except as provided in Article XV, relating to the credit for income tax, the convention does not affect taxation by the United States of a citizen of the United States or of a domestic corporation, even though such citizen is resident in Denmark and such corporation is engaged in trade or business in Denmark.

§ 7.953 Definitions. As used in §§ 7.950 to 7.966, unless the context otherwise requires, the terms defined in the convention shall have the meanings so assigned to them. Any term used in §§ 7.950 to 7.966, which is not defined in the convention but which is defined in the Internal Revenue Code shall be given the definition contained therein unless the context otherwise requires.

As used in §§ 7.950 to 7.966:

(a) The term "permanent establishment" means a branch office, factory, warehouse or other fixed place of business, but does not include the casual and temporary use of merely storage facilities. The fact that a Danish corporation has a domestic subsidiary corporation or a foreign subsidiary corporation having a branch in the United States, does not of itself constitute either subsidiary corporation a permanent establishment of the parent Danish enterprise. The fact that a Danish enterprise has business dealings in the United States through a bona fide commission agent, broker, or custodian, acting in the ordinary course of his business as such, or maintains in the United States an office or other fixed place of business used exclusively for the purchase of goods or merchandise, does not mean that such Danish enterprise has a permanent establishment in the United States. If, however, a Danish enterprise carries on business in the United States through an agent who has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of such enterprise or if it has an agent who maintains within the United States a stock of merchandise from which he regularly fills orders on behalf of his principal, then such enterprise shall be deemed to have a permanent establishment in the United States. However, an agent having power to con-

tract on behalf of his principal but only at fixed prices and under conditions determined by the principal does not necessarily constitute a permanent establishment of such principal. The mere fact that an agent (assuming he has no general authority to contract on behalf of his employer or principal) maintains samples or occasionally fills orders from incidental stocks of goods maintained in the United States will not constitute a permanent establishment within the United States. The mere fact that salesmen, employees of a Danish enterprise, promote the sale of their employer's products in the United States or that such enterprise transacts business in the United States by means of mail order activities, does not mean such enterprise has a permanent establishment therein. The term "permanent establishment" as used in the convention implies the active conduct therein of a business enterprise. The mere ownership, for example, of timberlands or a warehouse in the United States by a Danish enterprise does not mean that such enterprise has a permanent establishment therein. As to the effect of the maintenance of a permanent establishment within the United States upon exemption from United States tax in the case of interest and royalties and reduction in the rate of United States tax in the case of dividends, see § 7.957.

(b) The term "enterprise" means any commercial or industrial undertaking whether conducted by an individual, partnership, corporation, or other entity. It includes such activities as manufacturing, merchandising, mining, processing, and banking. It does not include the rendition of personal services. Hence, a nonresident alien who is a resident of Denmark and who renders personal services is not, merely by reason of such services, engaged in an enterprise within the meaning of the convention and his liability to United States tax is not affected by Article III of the convention.

(c) The term "Danish enterprise" means an enterprise carried on in Denmark by a resident of Denmark or by a Danish corporation or other entity. The term "Danish corporation or other entity" means a partnership, corporation or other entity created or organized in Denmark or under the laws of Denmark.

(d) The term "industrial or commercial profits" means profits arising from industrial, commercial, mercantile, manufacturing, and like activities of a Danish enterprise as defined in this section. Such term does not include rentals, royalties, interest, dividends, fees, compensation for personal services, nor gains derived from the sale or exchange of capital assets. Such enumerated items of income are not governed by the provisions of Article III of the convention.

§ 7.954 Scope of convention with respect to determination of "industrial or commercial profits"—(a) General. Article III of the convention adopts the principle that an enterprise of one of the contracting States shall not be taxable by the other contracting State upon its industrial or commercial profits unless it has a permanent establishment in the latter State. Hence, a Danish enter-

prise is subject to United States tax upon its industrial and commercial profits to the extent of such profits from sources within the United States only if it has a permanent establishment within the United States. From the standpoint of Federal income taxation, the article has application only to a Danish enterprise and to the industrial and commercial income thereof from sources within the United States. It has no application, for example, to compensation for labor or personal services performed in the United States nor to income derived from real property located in the United States, including rentals and royalties therefrom, nor to gains from the sale or disposition of such property, nor to interest, dividends, royalties, other fixed or determinable annual or periodical income and gains derived from the sale or exchange of capital assets.

(b) *No United States permanent establishment.* A nonresident alien (including a nonresident alien individual, fiduciary and partnership) who is a resident of Denmark, or a Danish corporation, carrying on an enterprise in Denmark and having no permanent establishment in the United States, is not for taxable years beginning on or after January 1, 1948, subject to United States income tax upon industrial or commercial profits from sources within the United States. For example, if the Danish enterprise carried on by such alien or corporation sells, in 1948, merchandise, such as silverware, dairy products, or liquors, through a bona fide commission agent or broker in the United States acting in the ordinary course of his business as such agent or broker, the resulting profits are, under the terms of Article III of the convention, exempt from United States income tax. Likewise no permanent establishment exists and no United States income tax attaches to such profits if such enterprise, through its sales agents in the United States, secures, orders for its products, the sales being made in Denmark.

(c) *United States permanent establishment.* A nonresident alien (including a nonresident alien individual, fiduciary and partnership), who is a resident of Denmark, or a Danish corporation, whether or not carrying on a Danish enterprise, having a permanent establishment in the United States, is subject to tax upon industrial or commercial profits from sources within the United States to the same extent as are nonresident aliens and foreign corporations engaged in trade or business therein. In the determination of the income taxable to such alien or foreign corporation all industrial and commercial profits from sources within the United States shall be deemed to be allocable to the permanent establishment in the United States. Hence, for example, if a Danish enterprise having a permanent establishment in the United States sells in the United States, through a commission agent therein goods produced in Denmark, the resulting profits derived from United States sources from such transactions are allocable to such permanent establishment even though such transactions were carried on independently of such establishment. In determining industrial and commercial profits no account shall be

taken of the mere purchase of merchandise within the United States by the Danish enterprise. The industrial or commercial profits of the permanent establishment shall be determined as if the establishment were an independent enterprise engaged in the same or similar activities and dealing at arm's length with the enterprise of which it is a permanent establishment.

§ 7.955 *Control of a domestic enterprise by a Danish enterprise.* Article IV of the convention provides, in effect, that if a Danish corporation by reason of its control of a domestic enterprise imposes on such latter enterprise conditions different from those which would result from normal business relations between independent enterprises, the accounts between the enterprises may be adjusted so as to ascertain the true net income of each enterprise. The purpose is to place the controlled domestic enterprise on a tax parity with an uncontrolled domestic enterprise by determining, according to the standard of an uncontrolled enterprise, the true net income from the property and business of the controlled enterprise. The basic objective of the article is that if the accounting records do not truly reflect the net income from the property and business of such domestic enterprise the Commissioner of Internal Revenue may intervene and, by making such distributions, apportionments, or allocations as he may deem necessary of gross income or deductions of any item or element affecting net income as between such domestic enterprise and the Danish enterprise by which it is controlled or directed, determine the true net income of the domestic enterprise. The provisions of § 29.45-1, Regulations 111, shall, insofar as applicable, be followed in the determination of the net income of the domestic business.

§ 7.956 *Income from operation of ships or aircraft.* The income derived from the operation of ships or aircraft registered in Denmark by a nonresident alien who is a resident of Denmark, or by a Danish corporation, and carrying on an enterprise in Denmark, is, for taxable years beginning on or after January 1, 1948, exempt from United States income tax under the provisions of Article V of the convention.

§ 7.957 *Exemption from, or reduction in rate of, United States tax in the case of dividends, interest and royalties—(a) Dividends—(1) General.* The tax imposed by the Internal Revenue Code in the case of dividends received from sources within the United States by (i) a nonresident alien (including a nonresident alien individual, fiduciary and partnership) who is a resident of Denmark, or (ii) a Danish corporation is, for taxable years beginning on and after January 1, 1948, limited to 15 percent under the provisions of Article VI (relating to dividends) if such alien or corporation, at no time during the taxable year in which such dividends were so derived, had a permanent establishment within the United States. Thus, if a nonresident alien who is a resident of Denmark, performs personal services within the United States during the cal-

endar year 1948 but has at no time during such year a permanent establishment within the United States, he is entitled to the reduced rate of tax with respect to such dividends derived in that year from United States sources, as provided in Article VI of the convention, even though by reason of his having rendered personal services within the United States he is engaged in trade or business therein in that year within the meaning of section 211 (b) of the Internal Revenue Code. If, for example, A, a nonresident alien who is a resident of Denmark, derives in 1948, \$5,000 compensation for such personal services and his only other income from sources within the United States consists of dividends, the dividends are subject to tax at a rate not to exceed 15 percent and his earned income is subject to normal tax and surtax without taking the dividends into account in determining the tax on such earned income.

(2) *Dividends paid by a United States subsidiary corporation.* Under the provisions of Article VI (3) of the convention, dividends paid by a domestic corporation to a Danish corporation are subject to tax at the rate of 5 percent if (i) such Danish corporation controls, directly or indirectly, at the time the dividend is paid 95 percent or more of the voting power in such domestic corporation, (ii) not more than 25 percent of the gross income of the domestic corporation for the three-year period immediately preceding the taxable year in which the dividend is paid consists of dividends and interest (other than dividends and interest paid to such domestic corporation by its own subsidiary corporations, if any), and (iii) the relationship between such domestic corporation and such Danish corporation has not been arranged or maintained primarily with the intention of securing such reduced rate of 5 percent.

(b) *Interest and royalties.* Interest, whether on bonds, securities, notes, debentures, or any other form of indebtedness (including interest on obligations of the United States and on obligations of instrumentalities of the United States), and royalties for the right to use copyrights, patents, designs, secret processes and formulae, trade-marks, and other analogous property, and royalties (including rentals and like payments in respect of motion picture films) received from sources within the United States by (1) a nonresident alien (including a nonresident alien individual, fiduciary, and partnership) who is a resident of Denmark, or (2) a Danish corporation, are, for taxable years beginning on and after January 1, 1948, exempt from United States tax under the provisions of Articles VII and VIII of the convention if such alien or corporation at no time during the taxable year in which such interest or royalty was so derived had a permanent establishment situated within the United States.

Such interest and royalties are, therefore, not subject to the withholding provisions of the Internal Revenue Code.

(c) *Beneficiaries of an estate or trust.* A nonresident alien who is a resident of Denmark and who is a beneficiary of a domestic estate or trust shall be entitled to the exemption, or reduction in the rate

of tax, as the case may be, provided in Articles VI, VII and VIII of the convention with respect to dividends, interest and royalties to the extent that such item or items are included in his distributive share of income of such estate or trust if he at no time during the taxable year had a permanent establishment in the United States. In such case such beneficiary must, in order to be entitled to the exemption or reduction in the rate of tax execute Form 1001-D or Form 1001A-D (modified to show dividends where applicable) and file such form with the fiduciary of such estate or trust in the United States.

In any case in which dividends, interest or royalties are derived from United States sources by a Danish estate or trust, any beneficiary of such estate or trust who is not a resident of Denmark, or who has a permanent establishment in the United States, is not entitled to any exemption under the convention with respect to such income included in his distributive share of the income of the estate or trust.

§ 7.958 *Real property income, natural resource royalties.* Under Article IX of the convention, a nonresident alien (including a nonresident alien individual, fiduciary, and partnership) who is a resident of Denmark, or a Danish corporation, who derives from sources within the United States in any taxable year beginning on or after January 1, 1948, income from real property (not including interest derived from mortgages or bonds secured by real property) or royalties from the operation of mines, quarries, oil wells or other natural resources may, for such taxable year, elect to be subject to Federal income tax as if such alien or corporation were engaged in trade or business within the United States by reason of having a permanent establishment therein during such taxable year. Such election shall be made by so signifying on the return for such year. The election so signified shall be irrevocable for the taxable year for which such election is made. In such case a return may be filed by the nonresident alien or foreign corporation even though the sole income of such alien or corporation from sources within the United States is fixed or determinable annual or periodical income upon which the tax has been fully satisfied at the source and there exists no necessity for the filing of the return except for the purposes of securing the benefits of Article IX of the convention. See § 29.217-2, Regulations 111.

§ 7.959 *Government wages, salaries, pensions and similar remuneration.* Under Article X (1) of the convention any wage, salary, similar compensation or pension paid by the Government of Denmark or by any other public authority within Denmark to an individual in the United States is exempt from Federal income tax for taxable years beginning on and after January 1, 1948. By reason, however, of the application of Article XV (a) of the convention, such exemption does not apply to recipients of such income who are either citizens of the United States or alien residents therein. As to the taxation generally of compensation of alien employees of foreign govern-

ments, see section 116 (h) of the Internal Revenue Code and § 29.116-2, Regulations 111.

§ 7.960 *Pensions and life annuities.* Under the provisions of Article X (2) of the convention, private pensions and life annuities derived from sources within the United States by nonresident alien individuals who are residents of Denmark are exempt from Federal income tax for taxable years beginning on and after January 1, 1948. The term "life annuities" is defined in Article X (3). The term "private pensions" does not include pensions or retired pay paid by the United States or by any State or Territory of the United States; it does include periodic payments made in consideration for services rendered or by way of compensation for injuries received.

§ 7.961 *Compensation for labor or personal services.* Article XI of the convention adopts the principle that compensation for labor or personal services, including the practice of the liberal professions, is subject to tax only in the contracting State in which such services are rendered. Hence, in general, such compensation derived by a nonresident alien individual residing in Denmark for services rendered in the United States is subject to Federal income tax. Under Article XI of the convention this general rule is subject to the following exceptions:

(a) Where such individual is temporarily present in the United States for a period or periods not exceeding a total of 90 days during the taxable year, compensation received for labor or personal services within the United States during such year is exempt from Federal income tax provided such compensation does not exceed \$3,000 in the aggregate.

(b) Where such individual is temporarily present in the United States for a period or periods not exceeding a total of 180 days during the taxable year, compensation for labor or personal services within the United States during such year is exempt from Federal income tax provided such compensation is received for services performed as a worker or employee of, or under contract with, a resident or corporation of Denmark (even though such resident or corporation is engaged in trade or business in the United States) which resident or corporation actually bears the expense of such compensation and is not reimbursed therefor by another person.

As to the source of compensation for labor or personal services, see section 119 (a) (3) of the Internal Revenue Code.

§ 7.962 *Students and apprentices; remittances.* Under Article XIII of the convention, citizens of Denmark who are temporarily present in the United States as students or apprentices exclusively for the purposes of study or for acquiring business experience, are exempt for taxable years beginning on or after January 1, 1948, from Federal income tax upon amounts representing remittances from sources outside the United States for the purposes of their maintenance or studies.

§ 7.963 *Visiting professors or teachers.* Under Article XIV of the convention, an alien who is a resident of Denmark but who is temporarily present within the United States for the purpose of teaching, lecturing, or instructing at any university, college, school, or other educational institution, situated within the United States, is, for a period not exceeding two years from the date of his arrival in the United States, exempt for taxable years beginning on or after January 1, 1948, from Federal income tax on remuneration received for such services. It shall be deemed that such alien coming to the United States for the purposes indicated has, for a period of not more than two years immediately succeeding the date of his arrival within the United States for such purposes, the tax status of a nonresident alien in the absence of proof of his intention to remain indefinitely in the United States.

mark but who is temporarily present within the United States for the purpose of teaching, lecturing, or instructing at any university, college, school, or other educational institution, situated within the United States, is, for a period not exceeding two years from the date of his arrival in the United States, exempt for taxable years beginning on or after January 1, 1948, from Federal income tax on remuneration received for such services. It shall be deemed that such alien coming to the United States for the purposes indicated has, for a period of not more than two years immediately succeeding the date of his arrival within the United States for such purposes, the tax status of a nonresident alien in the absence of proof of his intention to remain indefinitely in the United States.

§ 7.964 *Credit against United States tax liability for Danish tax.* For the purpose of avoidance of double taxation, Article XV provides that, on the part of the United States there shall be allowed against the United States income tax a credit for the amount of Danish taxes described in Article I of the convention imposed on income derived from sources within Denmark for taxable years beginning on and after January 1, 1948. Such credit, however, is subject to the limitations provided in section 131 of the Internal Revenue Code (relating to the credit for foreign taxes). See §§ 29.131-1 to 29.131-9 of Regulations 111.

§ 7.965 *Reciprocal administrative assistance—(a) General.* By Article XVII of the convention, the United States and Denmark adopt the principle of exchange of such information as is necessary for carrying out the provisions of the convention or for the prevention of fraud or for the detection of practices which are aimed at reduction of the revenues of either country, but not including information which would disclose a trade, business, industrial or professional secret or trade process.

The information and correspondence relative to exchange of information may be transmitted directly by the Commissioner of Internal Revenue to the Chief of the Taxation Department of the Ministry of Finance (Generaldirektøren for Skattevaesenet) of Denmark.

(b) *Information to be furnished in due course.* Pursuant to such principle, withholding agents shall, in the preparation of withholding returns, Form 1042, report on such returns, for the calendar year 1949 and each subsequent calendar year, in addition to the items of income upon which tax has been withheld at the source, those items of income paid to a nonresident alien individual resident in Denmark, or to a Danish corporation, upon which tax has not been withheld at the source. Such return shall show the same information with respect to such items of income upon which tax has not been withheld at the source as is shown with respect to items of income upon which the tax has been withheld at the source.

In accordance with the provisions of Article XVII of the convention, the Commissioner of Internal Revenue will transmit to the Chief of the Taxation Department of the Ministry of Finance

of Denmark, as soon as practicable after the close of the calendar year 1949, and of each calendar year thereafter during which the convention is in effect, the following information relating to such calendar year: The names and addresses of all persons whose addresses are in Denmark as disclosed on such withholding return, Form 1042, deriving from sources within the United States dividends, interest, rents, royalties, salaries, wages, pensions, annuities and other fixed or determinable annual or periodical profits or income, and the amount of such income with respect to such persons as disclosed on such return. Such transmission shall constitute compliance with Article XVII of the convention and of §§ 7.950 to 7.966.

(c) *Information in specific cases.* Under the provisions and limitations of Article XVII of the convention, and subject to the provisions of Article XIX and Article XXII of the convention, and upon the request of the Chief of the Taxation Department of the Ministry of Finance of Denmark, the Commissioner of Internal Revenue shall furnish to the Chief of the Taxation Department information available to or obtainable by the Commissioner of Internal Revenue relative to the tax liability of any person under the revenue laws of Denmark in any case in which such information is necessary to the administration of the provisions of the convention or for the prevention of fraud or the administration of statutory provisions against tax avoidance.

§ 7.966 *Claims in cases of double taxation.* Under Article XX of the convention, where the action of the revenue authorities of the contracting States has resulted in double taxation in respect of any of the taxes to which the convention relates, the taxpayer is entitled to lodge a claim with the country of which he is a citizen or, if he is not a citizen of either country, with the country of which he is a resident, or if the taxpayer is a corporation or other entity, with the country in which it is created or organized. Article XX further provides that should the claim be upheld, the competent authority of the country with which the claim is lodged may come to an agreement with the competent authority of the other country with a view to equitable avoidance of the double taxation. Such a claim on behalf of a United States citizen or corporation or other entity, or on behalf of a resident of the United States who is not a Danish citizen, shall be filed with the Commissioner of Internal Revenue, Washington 25, D. C. The claim should be set up in the form of a letter and should show fully all facts on the basis of which the claimant alleges that such double taxation has resulted. If the Commissioner of Internal Revenue determines that there is an appropriate basis for the claim under the convention, he will take the matter up with the Chief of the Taxation Department of the Ministry of Finance of Denmark with a view to arranging an agreement of the character contemplated by Article XX.

[F. R. Doc. 49-8214; Filed, Oct. 12, 1949; 8:50 a. m.]

NOTICES

DEPARTMENT OF DEFENSE

Department of the Navy

[No. 8 (a)]

DESTROYER ESCORTS (DDE) AND HUNTER
KILLER DESTROYERS (DDK)

NAVIGATION LIGHTS

Whereas, the act of December 3, 1945 (Pub. Law 239, 79th Cong., as amended by Pub. Law 433, 80th Cong.) provides that any requirement as to the number, position, range of visibility or arc of visibility of navigation lights, required to be displayed by naval vessels under acts of Congress, as enumerated in said act of December 3, 1945, as amended, shall not apply to any vessel of the Navy where the Secretary of the Navy shall find or certify that, by reason of special construction, it is not possible with respect to such vessel or class of vessels to comply with statutory requirements as to the number, position, range of visibility or arc of visibility of navigation lights; and

Whereas, a study of the arrangement and position of the navigation lights of that type of naval vessels known as Destroyer Escorts (DDE) and Hunter Killer Destroyers (DDK), has been made in the Navy Department and, as a result of such study, it has been determined that because of their special construction it is not possible for Destroyer Escorts (DDE) and Hunter Killer Destroyers (DDK) to comply with the requirements of the statutes enumerated in said act of December 3, 1945, as amended;

Now, therefore, I, Francis P. Matthews, Secretary of the Navy, as a result of the aforesaid study do hereby find and certify that the type of naval vessels known as Destroyer Escorts (DDE) and Hunter Killer Destroyers (DDK) are naval vessels of special construction and that on such vessels, with respect to the position of the additional white light (commonly termed the range light), it is not possible to comply with the requirements of the statutes enumerated in the act of December 3, 1945, as amended. Further, I do find and certify that it is feasible to locate the said additional white light (commonly termed the range light), if such light is installed, forward of the masthead light in such position that the said additional white light and the masthead light shall be in line with the keel and the after light shall be at least fifteen feet higher than the forward light and the vertical distance between the two lights shall be less than the horizontal distance. I further direct that the aforesaid additional white light, if such light is installed, shall be located in the manner above described and I further certify that such location constitutes compliance as closely with the applicable statutes as I hereby find to be feasible.

Dated at Washington, D. C., this 28th day of September A. D. 1949.

FRANCIS P. MATTHEWS,
Secretary of the Navy.

[F. R. Doc. 49-8179; Filed, Oct. 12, 1949;
8:45 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. SA-200]

ACCIDENT AT LOS ANGELES, CALIF.

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry N 61503, which occurred at Los Angeles, California, on October 1, 1949.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Tuesday, October 18, 1949, at 9:00 a. m., e. s. t., in Room G-28, U. S. Federal Building, Main and Temple Streets, Los Angeles, California.

Dated at Washington, D. C., October 10, 1949.

[SEAL]

ROBERT W. CHRISP,
Presiding Officer.

[F. R. Doc. 49-8224; Filed, Oct. 12, 1949;
8:52 a. m.]

FEDERAL COMMUNICATIONS
COMMISSIONDELEGATIONS OF AUTHORITY WITH RESPECT
TO PROCESSING AND DISPOSITION OF AP-
PLICATIONS

In the matter of changes in sections 0.145 (a) and 0.145 (b) of the Commission's statement of delegations of authority.

At a session of the Federal Communications Commission, held at its offices in Washington, D. C., on the 3d day of October 1949;

The Commission, having under consideration the necessity for amending the Commission's statement of delegations of authority and Part 1 of the Commission's rules relating to practice and procedure, respectively, to reflect changes in internal procedures of the Commission relating to the processing and disposition of applications filed under Part 6 of the Commission's rules; and

It appearing, that such amendments are designed to improve the internal administration of the Commission and will serve the public interest, convenience or necessity; and

It further appearing, that the proposed amendments to the rules and regulations are organizational or editorial in nature, and that publication of notice of proposed rule-making pursuant to section 4 (a) of the Administrative Procedure Act is not required; and

It further appearing, that authority for the proposed amendments is contained in sections 4 (i) and 5 (e) of the Communications Act of 1934, as amended;

It is ordered, That, effective immediately, § 1.312¹ is amended as set forth in a separate order of this same date concerning Part 1 of the Commission's rules and regulations; and

¹ See 47 CFR, Chapter I, Part 1, *supra*.

It is further ordered, That, effective immediately, sections 0.145 (a) and 0.145 (b), respectively, of the Commission's statement of delegations of authority are amended to read as follows:

(a) Applications for experimental class 2 stations in both established services and in the proposed Rural Radio Telephone Service, the proposed Short Distance Toll Service, and the proposed Microwave Relay Service, which render or propose to render a common carrier service, except those falling under sections 0.121 and 0.141.

(b) Applications for the Domestic Public Land Mobile Services, the Ship, Miscellaneous, United States and Alaskan Coastal and Marine Relay Services and Alaskan Fixed Public Services, except those falling under sections 0.112, 0.121, 0.141, 0.142 and 0.144.

Released: October 4, 1949.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL]

T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8202; Filed, Oct. 12, 1949;
8:48 a. m.]

[Docket No. 9292]

COMMERCIAL PACIFIC CABLE CO. ET AL.

ORDER SCHEDULING PUBLIC HEARING

In the matter of complaints of Commercial Pacific Cable Company; and American Cable and Radio Corporation and its subsidiaries, All America Cables and Radio, Inc., the Commercial Cable Company, and Mackay Radio and Telegraph Company, complainants, against the Western Union Telegraph Company, respondent; and complaint of RCA Communications, Inc., complainant, against the Western Union Telegraph Company, Globe Wireless, Ltd., and Tropical Radio Telegraph Company, respondents; Docket No. 9292.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 3d day of October 1949;

The Commission, having under consideration:

(1) An agreement of January 12, 1949, between the Western Union Telegraph Company (Western Union), and Tropical Radio Telegraph Company (Tropical) whereby Western Union agrees to transfer to Tropical all messages originating in the United States and specifically routed "via Western Union Cable" which are destined to specified countries in Central America, in return for the payment of a fixed sum per month by Tropical to Western Union; and whereby Western Union and Tropical further agree to exchange messages transiting the continental United States, which originate in or are destined to the specified countries in Central America;

(2) An agreement of March 1, 1949, between Western Union and Globe Wireless, Ltd., (Globe) whereby Western

Union agrees to transfer to Globe all messages originating in the United States and specifically routed "via Western Union Cable", which are destined to specified transpacific areas, in return for the payment of a specified sum by Globe to Western Union for each such message transferred to Globe; and whereby Western Union and Globe further agree to exchange messages transiting the continental United States, which originate in or are destined to the specified transpacific areas;

(3) Complaints filed on April 4, 1949, by Commercial Pacific Cable Company, and jointly by American Cable and Radio Corporation and its subsidiaries, All America Cables and Radio, Inc., The Commercial Cable Company and Mackay Radio and Telegraph Company, Inc., against Western Union, pursuant to the provisions of paragraph XI of the Formula under section 222 (e) (1) of the Communications Act of 1934, as amended, for the distribution of outbound international traffic handled by Western Union (10 FCC 184; Exhibit 306A, FCC Docket No. 6517), in which complaints it is alleged that the transfer of traffic pursuant to the above-described agreements between Western Union and Tropical and between Western Union and Globe is in violation of the provisions of the aforementioned "Formula", and of sections 201, 202 and 203 of the Communications Act of 1934, as amended, and is contrary to the intent and purposes of section 222 of the act; and in which complaints requests are made that the Commission order an immediate suspension of operations under said agreements; that Western Union be required to cease and desist from the practices complained of; and that Western Union be required to make restitution for the damages alleged to have been caused to the complainants as a result of operations pursuant to the aforementioned agreements; or, in the alternative, that, pending a determination by the Commission herein, the parties to the aforementioned agreements be required to keep and maintain accurate records with respect to traffic interchanged under the terms of said agreements, and thereafter be required to make reparations to the complainants for all injuries allegedly suffered by them as a result of the operations pursuant to such agreements;

(4) A complaint filed on April 5, 1949, by RCA Communications, Inc., pursuant to § 1.721 of the Commission's rules and regulations, against Western Union, Globe, and Tropical, in which complaint it is alleged that the transfer of traffic pursuant to the terms of the aforementioned agreements is in violation of sections 201, 202, 203 and 222 of the Communications Act of 1934, as amended; and in which complaint requests are made that the Commission order an immediate suspension of operations under the aforementioned agreements; that the respondents, jointly and severally, be required to make reparations for the damages alleged to have been caused to the complainant as a result of operations pursuant thereto; or, in the alternative, that the Commission issue an order requiring the respondents

to show cause why the Commission should not issue a special order or promulgate general rules, regulations or orders determining and prescribing that the contractual arrangements, practices and charges complained of are in violation of the aforementioned sections of the Communications Act of 1934; and that the Commission direct in such order that the respondents keep and maintain accurate records with respect to traffic interchanged under the terms of said agreements and thereafter make reparations to the complainant for all injuries suffered by it as a result of operations pursuant to the agreements;

(5) The respective answers filed on May 23, 1949, by the above-named respondents to the aforementioned complaints, in which the alleged violations are denied, and it is requested that the complaints be dismissed; and the requests contained in the answers of Western Union and Globe that, failing dismissal, the issues in the proceeding be enlarged to include an investigation into all similar existing arrangements for the exclusive transfer of traffic between the various international telegraph carriers, and to permit an award of reparations, if warranted, to any and all carriers, including respondents herein;

(6) The opposition filed on June 2, 1949, by RCA Communications, Inc., to the above request of Western Union and Globe to enlarge the issues;

It appearing, that, from an examination of the above pleadings, issues are presented which should be determined by the Commission by means of a public hearing;

It further appearing, that the Commission cannot appropriately issue an order, as requested by complainants, requiring the immediate suspension by respondents, in advance of a hearing, of operations now being carried on pursuant to the terms of the respective agreements;

It further appearing, that, since the proceeding herein is in the nature of an adversary proceeding wherein the burden of proving alleged violations rests with the complainants, and since the Commission is unable to determine from the pleadings alone that the respondents should proceed first at the hearing to prove the legality of their respective contracts, the request of RCA Communications, Inc., for the issuance of an order to show cause against the respondents should not be granted;

It further appearing, that the Commission is desirous of receiving all relevant material and competent evidence with respect to contracts, agreements, or arrangements of any kind between international telegraph carriers for the transfer of traffic, similar to those involved herein; but that the question of an enlargement of the issues herein at this time, as requested by Western Union and Globe, should be determined after the presentations of any such evidence have been made for the record herein;

It is ordered, That, pursuant to the provisions of sections 201, 202, 203, 205, 208, and 222 of the Communications Act of 1934, as amended, a public hearing on the issues presented by the pleadings

herein shall be held at the offices of the Commission in Washington, D. C., on November 7, 1949, beginning at 10:00 a. m.

It is further ordered, That the respondents named herein shall keep and maintain, until further order, full and complete records (including original message copies of outbound traffic) of all messages received, handled, transferred, and interchanged pursuant to the terms of the aforementioned agreements between them, about which the complaints herein have been made; and full and complete records of all monies received, retained, and paid out pursuant to the terms of such agreements;

It is further ordered, That the request of the complainants herein that the Commission order an immediate suspension of operations under the respective agreements complained of, is denied.

It is further ordered, That the above-described request of RCA Communications, Inc., for an order to show cause is denied;

It is further ordered, That the above-mentioned requests of Western Union and Globe for an enlargement of the issues herein are denied, without prejudice to the introduction of material, relevant, and competent evidence with respect to contracts, agreements, or arrangements of any kind between international telegraph carriers similar to those at issue herein;

It is further ordered, That copies of this order shall be served on each of the complainants and respondents herein, and upon each international telegraph carrier subject to the jurisdiction of this Commission.

FEDERAL COMMUNICATIONS
COMMISSION,
T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8203; Filed, Oct. 12, 1949;
8:48 a. m.]

[Docket No. 9470]

RADIO COMMISSION OF THE SOUTHERN
BAPTIST CONVENTION AND EXECUTIVE
BOARD OF THE BAPTIST GENERAL
CONVENTION OF TEXAS

NOTICE OF ORAL ARGUMENT

In the matter of the joint petition of the Radio Commission of the Southern Baptist Convention and the Executive Board of the Baptist General Convention of Texas; Docket No. 9470.

At a session of the Federal Communications Commission held at its office in Washington, D. C., on the 3d day of October 1949:

The Commission having under consideration a joint petition filed February 23, 1949, by the above-named petitioners requesting the Commission either: to amend its present rules and regulations governing low-power non-commercial educational FM broadcast stations to make religious organizations expressly eligible as licensees of such stations; or to promulgate new rules and regulations establishing a separate category of low-power non-commercial religious FM

broadcast stations, authorized to operate on the 88-92 kilocycle FM band presently allocated exclusively to low-power non-commercial FM broadcast stations; or to promulgate new rules and regulations allocating a group of frequencies elsewhere in the FM band for the purpose of establishing a system of low-power non-commercial religious broadcast stations analogous to the class of low-power non-commercial FM educational stations;

It is ordered, That the said petition be designated for oral argument on November 4, 1949, before the Commission, en banc, in Washington, D. C., at 10:00 a. m., on the following issues:

1. Whether the Commission may, consistently with the provisions of the first amendment of the Constitution of the United States, establish a specific category of religious broadcast stations.

2. To determine whether, in the light of the showing made in the petition, the public interest, convenience and necessity would be served by the issuance of proposed rules as requested in the petition.

It is further ordered, That the petitioners herein, and all other interested parties, which, on or before October 21, 1949, file timely appearance and briefs be permitted to participate in oral argument with respect to said issues.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8204; Filed, Oct. 12, 1949;
8:48 a. m.]

[Docket No. 8615]

UNITED NATIONS BROADCASTING CORP.
ORDER CONTINUING HEARING

In re application of United Nations Broadcasting Corporation, San Fernando, California, for construction permit; Docket No. 8615, File No. BP-6243.

The Commission having under consideration a petition filed August 22, 1949, by United Nations Broadcasting Corporation, San Fernando, California, requesting the dismissal without prejudice of its above-entitled application for construction permit; and an opposition thereto filed on August 29, 1949, by Earle C. Anthony, Inc. (KFI), a party respondent; and

It appearing, that eight days of hearing have been held on the petitioner's application; that a further hearing in the matter is now scheduled for October 12, 1949, at Los Angeles, California; and that, therefore, to permit the petitioner to dismiss its application without prejudice at so late a stage in this proceeding would be contrary to the best interests of the respondent and the Commission;

It is ordered, This 30th day of September 1949, that the petition is denied without prejudice to the petitioner's filing, within 45 days from the date hereof, a petition requesting dismissal of its application with prejudice; and

It is further ordered, That the further hearing in the above-entitled proceeding

is continued to 10:00 a. m., Thursday, January 12, 1950, at Los Angeles, California.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8205; Filed, Oct. 12, 1949;
8:48 a. m.]

[Docket No. 9270]

EASLEY BROADCASTING CO.

MEMORANDUM OPINION AND ORDER
CONTINUING HEARING

In re application of Robert L. Easley, tr/as Easley Broadcast Company, Easley, South Carolina, for construction permit; Docket No. 9270, File No. BP-6472.

The Commission has under consideration a petition for continuance of hearing filed in this proceeding by the General Counsel on September 27, 1949, in which a continuance for thirty days or more is requested for the reason that the applicant herein advised the Commission by telegram on September 20, 1949: That notice of the scheduled hearing had not been received by the applicant and it was therefore unable to prepare and present its evidence at the designated hearing time and place; and that applicant's petition for postponement would follow by mail. The petition further states that the applicant has not filed a petition for continuance or definitely indicated an intention to proceed to hearing upon its application and that for these reasons additional time is required for the purpose of ascertaining the applicant's intentions.

It appears from the Commission's records that hearing upon this application has been scheduled to commence on Tuesday, October 4, 1949 at Easley, South Carolina. It does not affirmatively appear that notice thereof was actually communicated to the applicant. However, the applicant has known of the scheduled hearing at least since September 20, 1949, the date of its telegram to the Commission, and no further steps have been taken by the applicant to secure a continuance or to rescind its announcement of unreadiness to proceed. Hence the uncertainty of the applicant's position and the necessity for prompt action before the hearing date merit a grant of the oral request of Commission Counsel for waiver of the requirements of § 1.745 and a ruling at this time upon the petition.

It further appears from the documents on file in this proceeding that a hearing upon this application, which then requested another frequency and was in conflict with other pending applications, was scheduled to be held in Easley, South Carolina on June 8, 1949. This applicant entered a late appearance therein and on May 31, 1949 filed a petition to amend to the frequency herein requested, therein also stating that the applicant "has sold minority interest" to three named individuals, contingent upon a grant of the petition to amend. By subsequent petition filed June 3, 1949

applicant requested amendment only as to a change of frequency and dismissed the petition of May 31, 1949. The latter petition was granted on June 6, 1949 and the hearing was continued indefinitely. The presently scheduled hearing was set by action of the Motions Commissioner on August 16, 1949.

Under the circumstances presented, it seems desirable to avoid if possible a recurrence of the impediment to orderly procedure which resulted herein. Notice by sending a copy of this order to the applicant by registered mail should insure against such recurrence. In addition, no reason now appears for rescheduling the hearing of testimony at Easley, South Carolina upon nontechnical issues prior to the hearing of testimony in Washington, D. C., upon the engineering issues set out in the order of designation.

It is therefore ordered, This 30th day of September 1949, that the Petition for Continuance be, and it is hereby granted and the hearing upon this application is continued from October 4, 1949 at Easley, South Carolina to Thursday, November 3, 1949 at the offices of the Commission in Washington, D. C., for receiving evidence upon the technical issues herein, and thence to such other times and places, if any, as may be ordered.

It is further ordered, That a copy of this order be sent by registered mail to the applicant at its current address as shown by the Commission's records.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8206; Filed, Oct. 12, 1949;
8:48 a. m.]

[Docket Nos. 9360, 9361]

LAKE HURON BROADCASTING CO. (WKNX)
AND BOOTH RADIO STATIONS, INC.

ORDER CONTINUING HEARING

In re applications of O. J. Kelchner, William J. Edwards, and Howard H. Wolfe, d/b as Lake Huron Broadcasting Company (WKNX), Saginaw, Michigan, Docket No. 9360, File No. BP-6447; Booth Radio Stations, Inc., Grand Rapids, Michigan, for construction permits; Docket No. 9361, File No. BP-7103.

The Commission having under consideration a petition filed on September 22, 1949, by Booth Radio Stations, Inc., requesting a continuance of the hearing herein now scheduled for November 1, 1949, until after November 20, 1949; and all parties to the proceeding having consented to a grant of said petition;

It is ordered, This 30th day of September, 1949, that the petition of Booth Radio Stations, Inc., be granted and that the hearing herein be continued from November 1 to November 21, 1949.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8207; Filed, Oct. 12, 1949;
8:48 a. m.]

[Docket Nos. 9315, 9366, 9367]

BENJAMIN L. DUBB ET AL.

ORDER CONTINUING HEARING

In the matter of Benjamin L. Dubb, Bradley Kincaid, and Prentiss Carnell, Jr. (transferors), Winslow P. Leighton, Florence B. Walcott, Frederick G. Lipert, and Barbara W. Leighton (transferees), for voluntary acquisition of control of Western Gateway Broadcasting Corporation, Radio Station WSNY, Schenectady, New York; Docket No. 9315, File No. BTC-710. Public Service Broadcasting Corporation, Schenectady, New York, for construction permit for a new standard broadcast station; Docket No. 9366, File No. BR-7072. Western Gateway Broadcasting Corporation, Radio Station WSNY, Schenectady, New York, for renewal of license; Docket No. 9367, File No. BR-1181.

The Commission having under consideration the motion of Public Service Broadcasting Corporation, filed September 26, 1949, to dispense with the personal appearance at the hearing and the testimony of ten of its minority stockholders, or, in the alternative, to take the depositions of such stockholders;

It appearing, that the application of Public Service Broadcasting Corporation seeks the operating facilities (1240 kc., 250 w. U) presently authorized for use by Western Gateway Broadcasting Corporation in its operation of Station WSNY in Schenectady, New York, and that the station's renewal of license application also is involved in the instant proceeding; and

It appearing further, that the hearing in this case was conducted in Schenectady, New York, on August 1 through 14, 1949, and was recessed to October 10, 1949, in Washington, D. C.; and

It appearing further, that Public Service Broadcasting Corporation heretofore has presented in this hearing the testimony of the majority of its stockholders, to wit, the holders of more than eighty percent of the outstanding stock; and

It appearing further, that Western Gateway Broadcasting Corporation has entered its opposition to dispensing with the testimony of the minority stockholders of Public Service Broadcasting Corporation, and it suggests that the hearing be reconvened in the city of Schenectady, New York, and that the minority stockholders involved be produced as witnesses and give testimony in the presence of the Hearing Examiner; and

It appearing further, in view of the nature of the application of Public Service Broadcasting Corporation, viz., involving a request for the facilities of Western Gateway Broadcasting Corporation (WSNY), that the latter corporation is entitled to be confronted by and to cross examine the aforesaid minority stockholders; and

It appearing further, that, under the circumstances here present a reconvening of the hearing in the city of Schenectady, New York, would be unnecessary, since the record of hearing with regard to the testimony of the aforementioned minority stockholders may be completed through a deposition session in the city of Schenectady, New York, in which all

interested parties would be permitted to participate;

Now, therefore, it is ordered, This 29th day of September, 1949, that the motion of Public Service Broadcasting Corporation, in so far as it seeks authority to dispense with the testimony of certain minority stockholders, be, and it is hereby, denied; and that the said motion, in so far as it seeks alternative relief, namely, the issuance of an order to take the depositions of such minority stockholders, be, and it is hereby, granted; and that such depositions shall be taken before Joseph P. McGrane, Notary Public (Seal No. 481), 467 State Street, Schenectady, New York, beginning at 10 a. m. Monday, October 10, 1949. Following is a list of the persons who will give depositions: Samuel M. Scheinzeit, 1518 Union St., Schenectady, New York; Harry Coplon, 723 DeCamp Avenue, Schenectady, New York; Edward J. Riley, 1493 Wyoming Avenue, Schenectady, New York; Paul L. Benjamin, 36 Union Avenue, Schenectady, New York; Carroll A. Gardner, 1248 Waverly Place, Schenectady, New York; Sharon Mauhs, 20 Clinton Circle, Cobleskill, New York; Owen Begley, 867 Stanley Street, Schenectady, New York; William Dunn, The Rock, Schoharie, New York; William J. Green, Fonda, New York; and William M. Leonard, 604 State Street, Schenectady, New York.

It is also ordered, Upon the Commission's own motion, that the further hearing in this matter, now scheduled for October 10, 1949, in Washington, D. C., be, and it is hereby, continued to November 14, 1949, in Washington, D. C.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8208; Filed, Oct. 12, 1949;
8:48 a. m.]

CONCORD BROADCASTING CORP. AND ERIE
BROADCASTING CORP.

ORDER SCHEDULING HEARING

In re applications of Concord Broadcasting Corporation, Niagara Falls, New York, Docket No. 8223, File No. BP-5825; Erie Broadcasting Corporation, Buffalo, New York, Docket No. 8495, File No. BP-6206; for construction permits.

The Commission has under consideration the above-entitled applications which were heard in a consolidated proceeding, the record closed on May 10, 1948, and reopened for further hearing by order of the Commission dated August 24, 1949; and

It appearing that the parties have agreed to the date of October 19, 1949, as the date for the further hearing in this matter;

It is ordered, This 3d day of October 1949, that the further hearing in the above-entitled proceeding is scheduled for 10:00 a. m., Wednesday, October 19, 1949, at Washington, D. C.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8209; Filed, Oct. 12, 1949;
8:48 a. m.]

[Docket No. 9255]

LAMAR COUNTY BROADCASTING CO.

ORDER CONTINUING HEARING

In re application of Cecil Hardy, Charles L. Cain, Merl Saxon, O. E. Smith and J. T. Smith, a partnership, d/b as Lamar County Broadcasting Company, Paris, Texas, for construction permit; Docket No. 9255, File No. BP-6596.

The Commission having under consideration a motion filed on September 30, 1949, by Cecil Hardy, Charles L. Cain, Merl Saxon, O. E. Smith and J. T. Smith, a partnership, d/b as Lamar County Broadcasting Company, requesting that the hearing now scheduled for October 10, 1949, at Washington, D. C., on the above-entitled application for construction permit, be continued for thirty days; and

It appearing that all parties to the proceeding have consented to the continuance as requested;

It is ordered, This 4th day of October 1949, that the motion be, and it is hereby, granted; and that the said hearing on the above-entitled application be, and it is hereby, continued to 10:00 a. m., Monday, November 7th, 1949, at Washington, D. C.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8210; Filed, Oct. 12, 1949;
8:49 a. m.]

[Docket Nos. 7844, 8704]

BELLEVILLE NEWS-DEMOCRAT AND ON THE
AIR, INC. (WTMV)

MEMORANDUM OPINION AND ORDER REOPENING
RECORD FOR FURTHER HEARING

In re applications of Belleville News-Democrat, Belleville, Illinois, Docket No. 7844, File No. BP-5176; On The Air, Inc. (WTMV), East St. Louis, Illinois, Docket No. 8704, File No. BP-6497; for construction permits.

1. The Commission has under consideration (1) a petition for an early hearing date, filed August 1, 1949 by Belleville News-Democrat; (2) a reply to the Belleville petition for an early hearing date, filed August 5, 1949 by On The Air, Inc. (WTMV); (3) a petition for review of the Motions Commissioner's action of July 29, 1949 granting Belleville leave to amend, filed August 2, 1949 by On The Air, Inc. (WTMV); (4) an opposition to the foregoing petition for review, filed August 5, 1949 by Belleville News-Democrat; (5) a petition to correct the memorandum opinion and order adopted July 14, 1949 in the above proceeding, filed August 5, 1949 by On The Air, Inc. (WTMV); and (6) an opposition to the above petition to correct the memorandum opinion and order, filed August 10, 1949 by Belleville News-Democrat.

2. An understanding of the issues presented by these pleadings requires a statement of certain pertinent facts. Belleville News-Democrat requests a construction permit for a new standard broadcast station at Belleville, Illinois, to operate on the frequency 1260 kc, with

1 kw power, unlimited time, employing a directional antenna at night. On The Air, Inc., the licensee of Station WTMV, East St. Louis, Illinois, requests a construction permit to change the facilities of that station from 1490 kc, with 250 w power, unlimited time to 1260 kc, with 1 kw power, unlimited time, employing a directional antenna day and night. A consolidated hearing was held on these applications and the application of Hobart G. Stephenson, Jr. (Docket No. 8652), which application requested a construction permit for a new standard broadcast station at St. Louis, Missouri, to operate on 1230 kc, with 250 w power, unlimited time. On December 9, 1948, the Commission adopted a proposed decision proposing to grant the Belleville application and to deny the St. Louis and East St. Louis applications.

3. On March 18, 1949, WTMV filed a motion to reopen the record in this proceeding and on April 15, 1949, WTMV filed a supplemental motion to reopen the record. In these pleadings, WTMV requested that the Commission set aside its proposed decision and reopen the record to determine (1) the adequacy of the transmitter site and antenna system proposed by Belleville News-Democrat and (2) the extent to which Mr. H. V. Calhoun will, or will not, perform the functions of fulltime public service director for the Belleville applicant. In support of the relief requested, WTMV alleged that on January 18, 1949, the Civil Aeronautics Administration disapproved the site proposed by the Belleville applicant; that in view of this fact, Belleville has made no showing upon a site which can be approved for operation in the community; and that, therefore, no comparison of the proposals could be made. In addition, WTMV alleged that since the hearing, Mr. Calhoun, the proposed public service director of the Belleville applicant, has been elected mayor of Belleville and, thus, the issue was raised as to whether or not Mr. Calhoun would participate in the operation of the Belleville station as proposed at the original hearing. The Civil Aeronautics Administration did, on January 18, 1949, disapprove the Belleville site. WTMV had previously filed timely exceptions and a request for oral argument in this proceeding. Hobart G. Stephenson, Jr., filed no exceptions or other pleadings addressed to the proposed decision.

4. In a memorandum opinion and order adopted July 14, 1949, the Commission made final its proposed decision insofar as it pertained to the application of Hobart G. Stephenson, Jr., St. Louis, Missouri (Docket No. 8652), and denied that application; granted the motion and supplemental motion to reopen the record in this proceeding filed by WTMV insofar as they requested that the proposed decision be set aside; set aside the proposed decision in this proceeding insofar as it pertained to the applications of Belleville News-Democrat and On The Air, Inc. (WTMV); afforded Belleville News-Democrat an opportunity to amend its application to specify a proper site within sixty days from the date of release of the order (July 18, 1949); and stated "that upon the ac-

ceptance of such amendment by Belleville News-Democrat, the proceeding will be scheduled for further hearing."

5. On July 22, 1949, Belleville filed a petition for leave to amend and submitted therewith an amendment specifying an operation from a new transmitter site. WTMV filed a motion to strike this amendment. However, on July 29, 1949, after oral argument, the Motions Commissioner granted the Belleville petition for leave to amend, accepted the amendment, and denied the WTMV motion to strike. Thereafter, the pleadings described in paragraph 1 above were filed by the parties to this proceeding. We will consider, first, the WTMV petition to correct the memorandum opinion and order adopted July 14, 1949, filed August 5, 1949, and the petition for review of the Motions Commissioner's action of July 29, 1949, filed August 2, 1949, by WTMV; then we will consider the petition for an early hearing date filed August 1, 1949, by Belleville.

6. In its petition to correct the memorandum opinion and order of July 14, 1949, WTMV requests that the Commission delete therefrom that portion of said order (paragraph 8) which afforded Belleville an opportunity to amend to specify a proper site. In support of this petition, WTMV contends that the Commission's action in granting Belleville leave to amend its application is contrary to the provisions of § 1.365 (a) of the Commission's rules; that in granting Belleville this authority the Commission deprived WTMV of its right to argue the question of good cause for granting such authority; and that WTMV cannot possibly prevail over Belleville in a comparative proceeding if Belleville is allowed to amend and remedy the substantive defects of its application and, therefore, permitting Belleville to amend deprives petitioner of a fair comparative hearing and consideration of its application.

7. In its petition for review of the Motions Commissioner's action of July 29, 1949, WTMV requests that the Commission reverse the ruling of the Motions Commissioner and deny Belleville's petition for leave to amend. In support of this petition, Belleville argues that in view of the fact the Belleville engineer, in a statement in the amendment, recited that his report was in support of an application by Belleville for modification of construction permit which authorized a new standard broadcast station at Belleville when, in fact, Belleville had no construction permit, such statement could not be in support of an application for modification of construction permit which Belleville did not possess; that the Civil Aeronautics Administration, rather than the U. S. Air Force, as stated by the Belleville engineer, had disapproved the original site specified by Belleville; that in view of these considerations, the engineering statement was erroneous and false on its face, was not what it was purported to be by the petition for leave to amend and, therefore, failed completely as an engineering affidavit in that it provided no assurance that the technical computations thereof were proper for the purpose for which Belleville offered them, or that the computations were based on rel-

evant and proper assumptions. WTMV then alleges that the Motions Commissioner in his order of July 29, 1949 stated that it was "obvious that the engineering data submitted with the petition and amendment under consideration may only support an amendment to the application" when, in fact, it was not "obvious"; that there is no assurance that the submitted engineering data was actually prepared for, or is suitable for, such amendment; that the Motions Commissioner's order that "Belleville filed this petition and amendment pursuant to the authority of the Commission as expressed in its memorandum opinion and order released on July 18, 1949 * * *" considers Belleville's intentions rather than its actions; that the admittedly erroneous engineering statement makes the petition and amendment unresponsive to the said memorandum opinion and order; and that the grant of the Belleville petition for leave to amend has deprived WTMV of its right to adequate opportunity for examination of the amendment.

8. We have carefully reviewed the WTMV petitions for correction of the memorandum opinion and order and review, and conclude that they are completely without merit. Obviously, the Belleville petition for leave to amend was filed pursuant to the authority of the Commission granted in its order of July 14, 1949. This authority was granted because the Belleville site became unavailable through causes beyond its control. Under the circumstances in this proceeding, the Commission concluded that Belleville should be afforded the opportunity to amend despite the fact Belleville, at the time of this determination, had not requested such authority. We believe that fairness and equity require such action. Moreover, it is obvious that the action of the Motions Commissioner in granting Belleville's petition for leave to amend was administrative in character and in compliance with the Commission's previous order. Accordingly, the WTMV petitions for correction of the Commission's memorandum opinion and order of July 14, 1949 and for review of the Motions Commissioner's action of July 29, 1949 granting Belleville's petition for leave to amend must be denied.

9. Belleville in its petition for an early hearing date recites the history of this proceeding and requests an early hearing date for the further hearing. We believe that under the circumstances in this proceeding, an early hearing date should be set. Accordingly, the Belleville petition for an early hearing date should be granted.

10. *It is ordered*, This 3d day of October, 1949, that the petition to correct the memorandum opinion and order adopted July 14, 1949 in the above proceeding, filed August 5, 1949 by On The Air, Inc. (WTMV), is denied; and that the petition for review of the Motions Commissioner's action of July 29, 1949 granting Belleville News-Democrat leave to amend, filed August 2, 1949 by On The Air, Inc. (WTMV), is denied and the said Motions Commissioner's action is affirmed.

11. *It is further ordered*, That the petition for an early hearing date filed August 1, 1949, by Belleville News-Demo-

crat is granted; that the record in this proceeding is reopened for further hearing; and that the proceeding is remanded to the Examiner previously appointed for further hearing in Washington, D. C., on the 19th day of October, 1949, upon the following issues:

(1) To determine the areas and populations which may be expected to gain or lose primary service from the operation of the station proposed by Belleville News-Democrat and the character of other broadcast service available to those areas and populations.

(2) To determine whether the operation of the station proposed by Belleville News-Democrat would involve objectionable interference with any existing or proposed broadcast stations and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

(3) To determine whether the installation and operation of the station proposed by Belleville News-Democrat would be in compliance with the Commission's rules and standards of Good Engineering Practice Concerning Standard Broadcast Stations.

(4) To determine the extent to which Mr. H. V. Calhoun will participate in the day-to-day operation of the station proposed by Belleville News-Democrat as public service director.

(5) To determine on a comparative basis from the record heretofore compiled and to be compiled at the further hearing, which, if either, of the applications in this consolidated proceeding should be granted.

Released: October 5, 1949.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 49-8211; Filed, Oct. 12, 1949;
8:49 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-1266]

COLORADO INTERSTATE GAS CO.
ORDER FIXING DATE OF HEARING

OCTOBER 6, 1949.

On August 22, 1949, Colorado Interstate Gas Company (Applicant) filed an application as supplemented on September 27, 1949, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural-gas facilities for the purpose of selling and delivering natural gas to Loran L. Laughlin, doing business as Florence Natural Gas Company, for resale and distribution in the City of Florence, Colorado.

The facilities are more particularly described in the application on file with the Commission and open to public inspection.

Applicant has requested that its application be heard under the shortened procedure provided for by § 1.32 (b) of the Commission's rules of practice and procedure; and no request to be heard or protest has been filed subsequent to

the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on September 8, 1949 (14 F. R. 5528).

The Commission finds: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

The Commission orders:

(A) Pursuant to the authority contained in, and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held commencing on October 27, 1949, at 9:45 a. m. e. s. t. in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue, NW., Washington, D. C., concerning the matters involved and the issues presented by such application; *Provided, however,* That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided for by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: October 7, 1949.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8181; Filed, Oct. 12, 1949;
8:45 a. m.]

[Docket No. G-1270]

NEW YORK STATE NATURAL GAS CORP.

ORDER FIXING DATE OF HEARING

OCTOBER 6, 1949.

On August 30, 1949, New York State Natural Gas Corporation (Applicant), a New York corporation having its principal place of business at New York City, New York, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of certain natural-gas facilities, subject to the jurisdiction of the Commission, as fully described in such application on file with the Commission and open to public inspection.

The Commission finds: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) of the Commission's rules of practice and procedure, Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on September 23, 1949 (14 F. R. 5820).

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Com-

mission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on October 27, 1949, at 9:30 a. m., e. s. t., in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application, *Provided, however,* That the Commission may, after a noncontested hearing, forthwith dispose of the proceedings pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: October 7, 1949.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8180; Filed, Oct. 12, 1949;
8:45 a. m.]

[Docket No. G-1272]

EAST TENNESSEE NATURAL GAS CO.

ORDER FIXING DATE OF HEARING

OCTOBER 6, 1949.

On September 2, 1949, East Tennessee Natural Gas Company (Applicant), a Tennessee corporation having its principal place of business at Chattanooga, Tennessee, filed an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of natural gas transmission pipe line facilities subject to the jurisdiction of the Commission, all as more fully described in the application on file with the Commission and open to public inspection.

Due notice of the filing of such application has been given, including publication in the FEDERAL REGISTER on September 15, 1949 (14 F. R. 5674-75). The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a public hearing be held commencing on the 24th day of October, 1949, at 10:00 a. m., e. s. t., in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters presented and the issues involved in said application.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the said rules of practice and procedure.

Date of issuance: October 7, 1949.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8182; Filed, Oct. 12, 1949;
8:45 a. m.]

[Docket No. G-1284]

TENNESSEE GAS TRANSMISSION CO.

NOTICE OF APPLICATION

OCTOBER 7, 1949.

Take notice that on September 28, 1949, Tennessee Gas Transmission Company (Applicant), a Delaware corporation with its principal place of business in Houston, Texas, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing Applicant to construct and operate a sales meter station at a point on its main transmission line near Chatham, Louisiana, for the sale of natural gas thereto, for distribution in the town and environs thereof.

Applicant states it proposes to sell natural gas to the Town of Chatham, Louisiana, for resale within a designated service area surrounding said town; that the estimated minimum daily demand will be 15 Mcf with first year annual requirements of approximately 15,000 Mcf, with contractual provisions allowing for a load growth up to 250 Mcf daily which will be Applicant's maximum daily obligation; that rates to be charged will be proposed as a part of its FPC Gas Tariff Rate Schedule G-6 applicable to sales in Louisiana and Arkansas with a demand charge of \$1.80 per Mcf and a commodity charge of 8.7 cents per Mcf actually delivered; that annual revenues are estimated at \$4000 and costs of operation at \$2000.

Applicant further states that delivery capacity authorized at Docket No. G-962, and a demonstrated additional capacity of 25000 Mcf daily over and above design capacity provides sufficient capacity for the requirements of Chatham, and no additional transmission facilities will be required.

The estimated capital cost of the proposed facilities is \$3000, which will be financed from funds on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) within 15 days from the date of publication hereof in the FEDERAL REGISTER. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8184; Filed, Oct. 12, 1949;
8:45 a. m.]

[Docket No. G-1287]

OHIO FUEL GAS CO.

NOTICE OF APPLICATION

OCTOBER 7, 1949.

Take notice that on October 3, 1949, The Ohio Fuel Gas Company (Applicant), an Ohio corporation with its principal place of business at Columbus, Ohio, filed an application for a certificate of public convenience and necessity, authorizing the construction and operation of a measuring and regulating station on its transmission line Z-50 in section 28 of

Twin Township, Darke County, Ohio, for the sale of natural gas to Amzi Dull & Son for resale in Arcanum and Ithaca, Ohio.

Applicant states the population of Arcanum is approximately 1,500 of whom 495 are customers of Amzi Dull & Son, present distributors of natural gas supplied from the line of The Dayton Power & Light Company, and the Village of Ithaca now without gas service of any type will furnish approximately 40 customers, with the total number of customers to be served reaching 545 within five years; that Amzi Dull & Son will construct approximately 4.5 miles of 4-inch line extending from the facilities to be constructed by Applicant to Arcanum, from which latter point Dull proposes to construct a line to Ithaca, all of which will be supplied from the connection herein proposed; that present annual natural gas requirements (estimated in part) for 1949 are 20,200 Mcf increasing to 42,000 Mcf in 1953 for the proposed area and with a peak day demand of 195 Mcf; that the rates to be charged Amzi Dull & Son are set forth in FPC Gas Tariff, Original Volume No. 1 of The Ohio Fuel Gas Company, Rate Schedule F-1, and fixed charges are to be in conformity with rates in use by Applicant established in Docket No. G-403. Operating expenses of the proposed facilities are estimated at \$205 annually.

Applicant further states Amzi Dull & Son and The Dayton Power & Light Company have agreed to a cancellation of the contract under which natural gas was purchased for sale and distribution in Arcanum through a 2-inch line, ownership of which is not stated; that upon completion of the proposed facilities and 4-inch line the present connection with The Dayton Power & Light Company will be abandoned, present purchases therefrom will be discontinued, and service to Arcanum will be continued from the facilities of Applicant.

The estimated capital cost of Applicant's proposed facilities is \$2700, which will be defrayed from funds on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) within 15 days from date of publication hereof in the FEDERAL REGISTER. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8183; Filed, Oct. 12, 1949;
8:45 a. m.]

[Docket No. ID-1123]

H. W. HARBISON

NOTICE OF AUTHORIZATION PURSUANT TO SECTION 305 (B) OF THE FEDERAL POWER ACT

OCTOBER 7, 1949.

Notice is hereby given that, on October 6, 1949, the Federal Power Commission issued its order entered October 4, 1949, in the above-designated matter, authorizing Applicant to hold certain positions in the Union Electric Company of Missouri, et

al., pursuant to section 305 (b) of the Federal Power Act.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8186; Filed, Oct. 12, 1949;
8:46 a. m.]

[Project No. 67]

SOUTHERN CALIFORNIA EDISON CO.

NOTICE OF APPLICATION FOR AMENDMENT OF LICENSE

OCTOBER 7, 1949.

Public notice is hereby given, pursuant to the provisions of the Federal Power Act (16 U. S. C. 791-825r), that Southern California Edison Company, of Los Angeles, California, has filed application for amendment of license for Project No. 67 to include a new switchrack and to authorized certain transmission line changes necessary in connection therewith.

Any protest against the approval of this application or request for hearing thereon, with the reason for such protest or request and the name and address of the party or parties so protesting or requesting should be submitted on or before November 12, 1949, to the Federal Power Commission, Washington 25, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8185; Filed, Oct. 12, 1949;
8:46 a. m.]

[Project No. 785]

CITY OF ALLEGAN, MICH.

NOTICE OF ORDER GRANTING PARTIAL EXEMPTION FROM PAYMENT OF ANNUAL CHARGES

OCTOBER 7, 1949.

Notice is hereby given that, on October 6, 1949, the Federal Power Commission issued its order entered October 4, 1949, granting partial exemption from payment of annual charges in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8187; Filed, Oct. 12, 1949;
8:46 a. m.]

[Project No. 1926]

CHARLES F. TUTTLE ET AL.

NOTICE OF ORDER EXTENDING TIME FOR COMPLETION OF CONSTRUCTION

OCTOBER 7, 1949.

In the matter of Charles F. Tuttle, Robert H. Ausfahl and Mrs. Rowena E. Ausfahl.

Notice is hereby given that, on October 6, 1949, the Federal Power Commission issued its order entered October 4, 1949, extending to December 31, 1950, the time for completion of construction in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 49-8188; Filed, Oct. 12, 1949;
8:46 a. m.]

OFFICE OF HOUSING EXPEDITER

ORGANIZATION DESCRIPTION INCLUDING
DELEGATIONS OF FINAL AUTHORITY

DESIGNATION OF ACTING HOUSING EXPEDITER

Designation of Acting Housing Expediter. J. Walter White is hereby designated to act as Housing Expediter during my absence from October 11 through November 3, 1949, with the title "Acting Housing Expediter" with all the powers, duties, and rights conferred upon me by the Housing and Rent Act of 1947, as amended, or any other act of Congress or Executive Order, and all such powers, duties, and rights are hereby delegated to such officer for such period.

Issued this 10th day of October 1949.

TIGHE E. WOODS,
Housing Expediter.[F. R. Doc. 49-8198; Filed, Oct. 12, 1949;
8:48 a. m.]SECURITIES AND EXCHANGE
COMMISSION

D. S. WADDY & CO.

ORDER REVOKING REGISTRATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 6th day of October A. D. 1949.

In the matter of D. S. Waddy & Co., 623 Garrison Avenue, Fort Smith, Arkansas.

Proceedings having been instituted pursuant to section 15 (b) of the Securities Exchange Act of 1934 to determine whether the registration as a broker of David S. Waddy, doing business as D. S. Waddy & Co., should be revoked;

A hearing having been held after appropriate notice, registrant having consented to the entry of an order of revocation, and the Commission having this day issued its findings and opinion; on the basis of said findings and opinion

It is ordered, That the registration of the said David S. Waddy, doing business as D. S. Waddy & Co., as a broker be, and it hereby is, revoked.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.[F. R. Doc. 49-8190; Filed, Oct. 12, 1949;
8:46 a. m.]

[File No. 54-132]

ENGINEERS PUBLIC SERVICE CO.

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 6th day of October A. D. 1949.

The Commission having by its orders of January 8 and February 11, 1947, approved an amended plan of reorganization, filed by Engineers Public Service Company ("Engineers"), a registered holding company, pursuant to the provisions of section 11 (e) of the Public Utility Holding Company Act of 1935,

but having reserved jurisdiction to approve, disapprove, modify, allocate or award from the estate of Engineers by further order or orders, all fees or other compensation and all remuneration of expenses claimed or to be claimed by any persons in connection with the amended plan, the transactions incident thereto and the consummation thereof:

Notice is hereby given that certain persons have now filed applications for the approval of fees or other compensation and for reimbursement of expenditures to be paid by Engineers in connection with said plan, the transactions incident thereto and the consummation thereof.

All interested persons are referred to said applications, which are on file in the office of the Commission, for a full statement of the claims for fees or other compensation and for reimbursement of expenditures which may be summarized as follows:

Mudge, Stern, Williams & Tucker, attorneys for Engineers—\$120,000 for fees and \$1,989.69 for disbursements.

The Chase National Bank of the City of New York, Escrow Agent—\$5,153.37 for fees and \$408.23 for disbursements.

Milbank, Tweed, Hope & Hadley, attorneys for said Bank—\$1,750 for fees and \$22.92 for disbursements.

Lawrence R. Condon, attorney for Thomas W. Streeter, et al., Preferred stockholders—\$125,000 or one-third of the total compensation to be allowed for services rendered by all counsel and other persons, whichever sum is the greater, and \$16,400 for disbursements.

Evans, Bayard & Frick, attorneys for The Home Insurance Company, et al., Preferred stockholders—\$50,000 for fees and \$2,959.65 for disbursements.

Louis Boehm and Raymond L. Wise, attorneys for Lucille White and Frances Boehm, Common stockholders—\$51,892 for fees and \$898.84 and \$321.83, respectively, for disbursements.

Guggenheimer & Untermyer, attorneys for Central-Illinois Securities Corporation and C. A. Johnson, Common stockholders—\$75,000 for fees and \$7,031.89 for disbursements.

Herbert L. Cobin, attorney for Central-Illinois Securities Corporation and C. A. Johnson, Common stockholders—\$1,000 for fees and \$25.79 for disbursements.

The Commission deeming it appropriate in the public interest and in the interest of investors that a hearing be held in respect to said applications:

It is ordered, Pursuant to sections 11 (e) and 18 of the act that the hearings therein be reconvened for the purpose of taking evidence on said applications, to commence on November 8, 1949, at 10:00 a. m., e. s. t., at the offices of the Securities and Exchange Commission, 425 Second Street, NW., Washington 25, D. C. On such date the hearing room clerk in Room 101 will advise as to the room in which such hearing will be held.

It is further ordered, That Harold B. Teegarden or any other officer or officers of the Commission designated by it for that purpose shall preside at such hearing. The officer so designated to preside at such hearing is hereby empowered to exercise all such powers granted to the Commission under section 18 (c) of the act and to a hearing officer under the Commission's rules of practice.

The Division of Public Utilities of the Commission having advised the Commission that it has made a preliminary ex-

amination of said applications and that, upon the basis thereof, the following matters and questions are presented for consideration by the Commission, without prejudice to its specifying additional matters and questions upon further examination:

1. Whether the services and disbursements for which remuneration is asked are compensable, and whether it is appropriate and lawful to grant any allowances for fees and expenses to the persons making such claims.

2. Whether the amounts, approval of which are requested, are fair and reasonable, and if not, what amount should be fixed by the Commission.

It is further ordered, That particular attention be directed at said hearing to the foregoing matters and questions.

It is further ordered, That any person (other than Engineers and said applicants) desiring to be heard in connection with this proceeding, or proposing to intervene herein, shall file with the Secretary of the Commission on or before November 7, 1949, his request or application therefor as provided by Rule XVII of the rules of practice of the Commission.

It is further ordered, That the Secretary of the Commission shall serve notice of the aforesaid hearing by mailing copies of this order by registered mail to Engineers and the applicants herein, and that further notice be given to all persons by publication of this order in the FEDERAL REGISTER.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.[F. R. Doc. 49-8191; Filed, Oct. 12, 1949;
8:46 a. m.]

[File No. 70-2214]

ALLEGHENY COUNTY STEAM HEATING CO.

ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 7th day of October 1949.

Allegheny County Steam Heating Company ("Allegheny"), a nonutility, indirect subsidiary of Standard Power and Light Corporation, Standard Gas and Electric Company, and Philadelphia Company, all registered holding companies, having filed an application and amendments thereto pursuant to the first sentence of section 6 (b) of the Public Utility Holding Company Act of 1935 ("act") regarding the following proposed transaction:

Allegheny requests authorization to increase temporarily the aggregate amount of outstanding notes and drafts, having a maturity of nine months or less, exclusive of days of grace, as to which Allegheny is primarily or secondarily liable, to an amount not in excess of \$350,000. If such authority is granted, Allegheny proposes to issue, not later than November 15, 1949, a short-term unsecured promissory note to The Farmers Deposit National Bank of Pittsburgh in the principal amount of

\$110,000, to mature not more than nine months after the date of issue, but in no event later than April 15, 1950, and to bear interest at the rate of 2% per annum. The proceeds of such note will be applied to the cost of Allegheny's construction program. Allegheny states that at the time it issues the \$110,000 note it will have outstanding \$240,000 principal amount of short-term notes, having a maturity of less than nine months, issued pursuant to the exemption contained in the first sentence of section 6 (b) of the act. Allegheny also states that no fees or commissions will be paid in connection with the proposed transaction and that incidental expenses with respect thereto will not exceed \$150.

Said application having been filed on September 7, 1949, and amendments thereto on September 9, 1949, and September 16, 1949, notice of said filing having been given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act and the Commission not having received a request for hearing with respect to said application within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding that said application, as amended, satisfies the requirements of the applicable provisions of the act and the rules thereunder, that no adverse findings are necessary in connection with the proposed transaction, and that the application, as amended, should be granted without the imposition of terms and conditions other than those contained in Rule U-24; and the Commission deeming it appropriate to grant the request of applicant that the order herein become effective upon the issuance thereof:

It is ordered, Pursuant to said Rule U-23 and the applicable provisions of said act that the said application, as amended, be, and the same hereby is, granted, effective forthwith, subject to the terms and conditions contained in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 49-8192; Filed, Oct. 12, 1949;
8:47 a. m.]

[File No. 70-2221]

DUQUESNE LIGHT CO.

ORDER GRANTING APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 6th day of October 1949.

Duquesne Light Company ("Duquesne"), a public utility company and a subsidiary of Standard Power and Light Corporation, Standard Gas and Electric Company, and Philadelphia Company, all registered holding companies, having filed an application and amendments thereto, pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935 ("act") and Rule

U-50 promulgated thereunder regarding the following proposed transactions:

Duquesne proposes to issue and sell, pursuant to the competitive bidding requirements of Rule U-50, \$15,000,000 principal amount of a new series of First Mortgage Bonds, Series due October 1, 1979. The bonds are to be issued under the provisions of a Trust Indenture, dated August 1, 1947, from Duquesne to Mellon National Bank and Trust Company, as Trustee, as supplemented by a Supplemental Trust Indenture, dated September 20, 1948, and as further supplemented by a Second Supplemental Trust Indenture to be dated as of September 30, 1949, and a Third Supplemental Trust Indenture to be dated as of October 1, 1949. The price, to be not less than 100% or more than 102 3/4% of the principal amount, and the coupon rate, to be a multiple of 1/8 of 1%, are to be determined by the bidding.

The proceeds of the proposed issuance and sale of said bonds are to be used by Duquesne, in part, to repay outstanding short-term bank loans incurred to finance temporarily its construction program, and the balance, for general corporate purposes including payment of a portion of the cost of the company's construction program.

Duquesne having requested that the Commission's order become effective forthwith and that the ten-day period for inviting bids as provided in Rule U-50 be shortened to six days; and

Said application having been filed on September 16, 1949, and the last amendment thereto on October 6, 1949, notice of said filing having been given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for hearing with respect to said application, within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

It appearing that the issue and sale of such bonds have been expressly authorized by the Pennsylvania Public Utility Commission, the State Commission of the State in which Duquesne is organized and doing business; and

The Commission finding that said application, as amended, satisfies the requirements of the applicable provisions of the act and the rules and regulations thereunder, and that it is not necessary to impose any terms and conditions other than those set forth below, and the Commission deeming it appropriate in the public interest and in the interest of investors and consumers that said amended application be granted, effective forthwith:

It is ordered, Pursuant to said Rule U-23 and the applicable provisions of said act that said application, as amended, be, and the same hereby is, granted, effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and subject further to the following additional conditions:

1. That the proposed issue and sale of the bonds shall not be consummated until the results of the competitive bidding pursuant to Rule U-50 with respect to such bonds shall have been made a matter of record herein and a further order shall have been entered with re-

spect thereto, which order may contain such further terms and conditions as may then be deemed appropriate, jurisdiction being hereby reserved for such purpose.

2. That jurisdiction be reserved with respect to fees and expenses for accounting and legal services, including the fees and expenses of counsel for the successful bidders.

It is further ordered, That the ten-day period prescribed by Rule U-50 for the invitation of bids with respect to the bonds proposed to be sold, be, and the same hereby is, shortened to six days.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 49-8189; Filed, Oct. 12, 1949;
8:46 a. m.]

[File Nos. 70-2235, 70-2236, 70-2237, 70-2238]

UNITED GAS IMPROVEMENT CO. ET AL.

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 7th day of October 1949.

In the matters of The United Gas Improvement Company, Lancaster County Gas Company, File No. 70-2235; The United Gas Improvement Company, Allentown-Bethlehem Gas Company, File No. 70-2236; The United Gas Improvement Company, Consumers Gas Company, File No. 70-2237; The United Gas Improvement Company, The Harrisburg Gas Company, File No. 70-2238.

Notice is hereby given that joint declarations have been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by The United Gas Improvement Company ("UGI"), a registered holding company, and its public utility subsidiaries, Lancaster County Gas Company ("Lancaster"), Allentown-Bethlehem Gas Company ("Allentown-Bethlehem"), Consumers Gas Company ("Consumers") and The Harrisburg Gas Company ("Harrisburg"), respectively. Declarants designate section 12 of the act and Rule U-45 promulgated thereunder as applicable to the proposed transactions.

Notice is further given that any interested person may, not later than October 21, 1949, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest, and the issues of fact or law raised by said joint declarations which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 2d Street NW., Washington 25, D. C. At any time after October 21, 1949, said joint declarations, as filed or as amended, may be permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

All interested persons are referred to said joint declarations which are on file in the offices of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

UGI proposes to advance on open book account, from time to time, on or before December 31, 1950, at an interest rate of $3\frac{1}{4}\%$ annually, the amount of \$475,000 to Lancaster, \$145,000 to Allentown-Bethlehem, \$610,000 to Consumers and \$505,000 to Harrisburg. Interest is to be paid only on money actually advanced by UGI. The proceeds of the advances, together with other funds, will be used by these respective companies to meet the cost of their construction programs, including construction of facilities to receive and reform natural gas. It is stated that such advances are to be made pending permanent financing for capital expenditures to be made during the years 1949 and 1950 by the respective companies.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 49-8193; Filed, Oct. 12, 1949;
8:47 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 13861]

GEORGE SALLER

In re: Estate of George Saller, deceased, File No. D-28-10325; E. T. sec. 14609.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Joseph Saller, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the person named in subparagraph 1 hereof in and to the estate of George Saller, deceased, is property payable or deliverable to, or claimed by, the aforesaid national of a designated enemy country (Germany);

3. That such property is in the process of administration by The Real Estate Trust Company of Philadelphia, as Administrator, acting under the judicial supervision of the Orphan's Court of Philadelphia County, Pennsylvania;

and it is hereby determined:

4. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate con-

sultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 27, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-8218; Filed, Oct. 12, 1949;
8:51 a. m.]

[Vesting Order 13872]

IWAJIRO SATAKE

In re: Securities owned by the personal representatives, heirs, next of kin, legatees and distributees of Iwajiro Satake, deceased. D-39-19239.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the personal representatives, heirs, next of kin, legatees and distributees of Iwajiro Satake, deceased, who there is reasonable cause to believe are residents of Japan, are nationals of a designated enemy country (Japan);

2. That the property described as follows:

a. Twenty (20) shares of no par value common capital stock of American Agricultural Chemical Co., a corporation organized under the laws of the State of Delaware, evidenced by certificate numbered BN46980, registered in the name of Iwajiro Satake, and presently in the custody of Seattle-First National Bank, Seattle 14, Washington, together with all declared and unpaid dividends thereon, and

b. Thirty-one (31) Local Improvement District Number 126, City of Raymond, Washington, 8% Bonds, of \$100 face value each, due December 19, 1935, bearing the numbers 381-5, 650-7 and 667-84, inclusive, and presently in the custody of Seattle-First National Bank, Seattle 14, Washington, together with any and all rights thereunder and thereto,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the persons referred to in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 27, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-8219; Filed, Oct. 12, 1949;
8:51 a. m.]

[Vesting Order 13883]

LUDWIG DUCHTING

In re: Stock and bank account owned by Ludwig Duchting. F-28-2218, A-1, E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ludwig Duchting, whose last known address is Buldern bei Munster 1, Westphalia, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. Ten (10) shares of \$100 par value common capital stock of The Baltimore and Ohio Railroad Company, B & O Building, Baltimore, Maryland, a corporation organized under the laws of the State of Maryland, evidenced by a certificate numbered D293955, registered in the name of Hurley & Co., and presently in the custody of National City Bank of New York, 55 Wall Street, New York 15, New York, together with all declared and unpaid dividends thereon,

b. One (1) share of \$15 par value capital stock of Consolidated Natural Gas Company, 30 Rockefeller Plaza, New York, New York, a corporation organized under the laws of the State of Delaware, evidenced by a certificate numbered O133992, registered in the name of Hurley & Co., and presently in the custody of National City Bank of New York, 55 Wall Street, New York 15, New York, together with all declared and unpaid dividends thereon,

c. Ten (10) shares of no par value common capital stock of General Electric Company, 1 River Road, Schenectady, New York, a corporation organized under the laws of the State of New York, evidenced by a certificate numbered NYE 69522, registered in the name of Hurley & Co., and presently in the custody of National City Bank of New York, 55 Wall Street, New York 15, New York, together

NOTICES

with all declared and unpaid dividends thereon.

d. Fifty (50) shares of no par value common capital stock of Radio Corporation of America, RCA Building, 30 Rockefeller Plaza, New York 20, New York, a corporation organized under the laws of the State of Delaware, evidenced by a foreign certificate numbered FR/C 3620, registered in the name of Hurley & Co., and presently in the custody of National City Bank of New York, 55 Wall Street, New York 15, New York, together with all declared and unpaid dividends thereon.

e. Ten and ninety two-hundredths (10 90/200) shares of \$25 par value capital stock of Standard Oil Company (N. J.), 30 Rockefeller Plaza, New York, New York, a corporation organized under the laws of the State of New Jersey, evidenced by certificate numbered C726897 registered in the name of Hurley & Co., for 10 shares and certificates numbered E213199 and F216688 issued in bearer form, for fifty two-hundredths (50/200) share and forty two-hundredths (40/200) share, respectively, presently in the custody of National City Bank of New York, 55 Wall Street, New York 15, New York, together with all declared and unpaid dividends thereon.

f. Thirty (30) shares of no par value common capital stock of United States Steel Corporation, 71 Broadway, New York, New York, a corporation organized under the laws of the State of New Jersey, evidenced by certificates numbered P6187 and X144290 for ten (10) shares and twenty (20) shares, respectively, registered in the name of Hurley & Co., and presently in the custody of National City Bank of New York, 55 Wall Street, New York 15, New York, together with all declared and unpaid dividends thereon, and

g. That certain debt or other obligation owing to Ludwig Duchting, by the National City Bank of New York, 55 Wall Street, New York, New York, arising out of a clean credit deposit account entitled Dr. Ludwig Duchting, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Ludwig Duchting, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used,

administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 3, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-8220; Filed, Oct. 12, 1949;
8:51 a. m.]

[Vesting Order 13884]

KURT MANGELSDORF

In re: Debts owing to Kurt Mangelsdorf. F-28-13024-C-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Kurt Mangelsdorf, whose last known address is Postfach 134, Karlsruhe, Baden, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation owing to Kurt Mangelsdorf, by John D. Pope III, 818 Olive Street, St. Louis 1, Missouri, in the amount of \$10.65, as of September 17, 1949, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same, and

b. That certain debt or other obligation owing to Kurt Mangelsdorf, by Helen Hussey, 1619 Northwood Drive, Cincinnati 16, Ohio, in the amount of \$126.61, as of September 17, 1949, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany).

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 3, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-8221; Filed, Oct. 12, 1949;
8:51 a. m.]

[Vesting Order 13885]

KUICHI OSHIRI

In re: Debt owing to Kuichi Oshiri, D-39-19090 C-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Kuichi Oshiri, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the property described as follows: That certain debt or other obligation owing to Kuichi Oshiri, by the Union Pacific Railroad Company, 1416 Dodge Street, Omaha 2, Nebraska, in the amount of \$102.31, as of June 7, 1947, representing accrued salary, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 3, 1949.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 49-8222; Filed, Oct. 12, 1949;
8:51 a. m.]